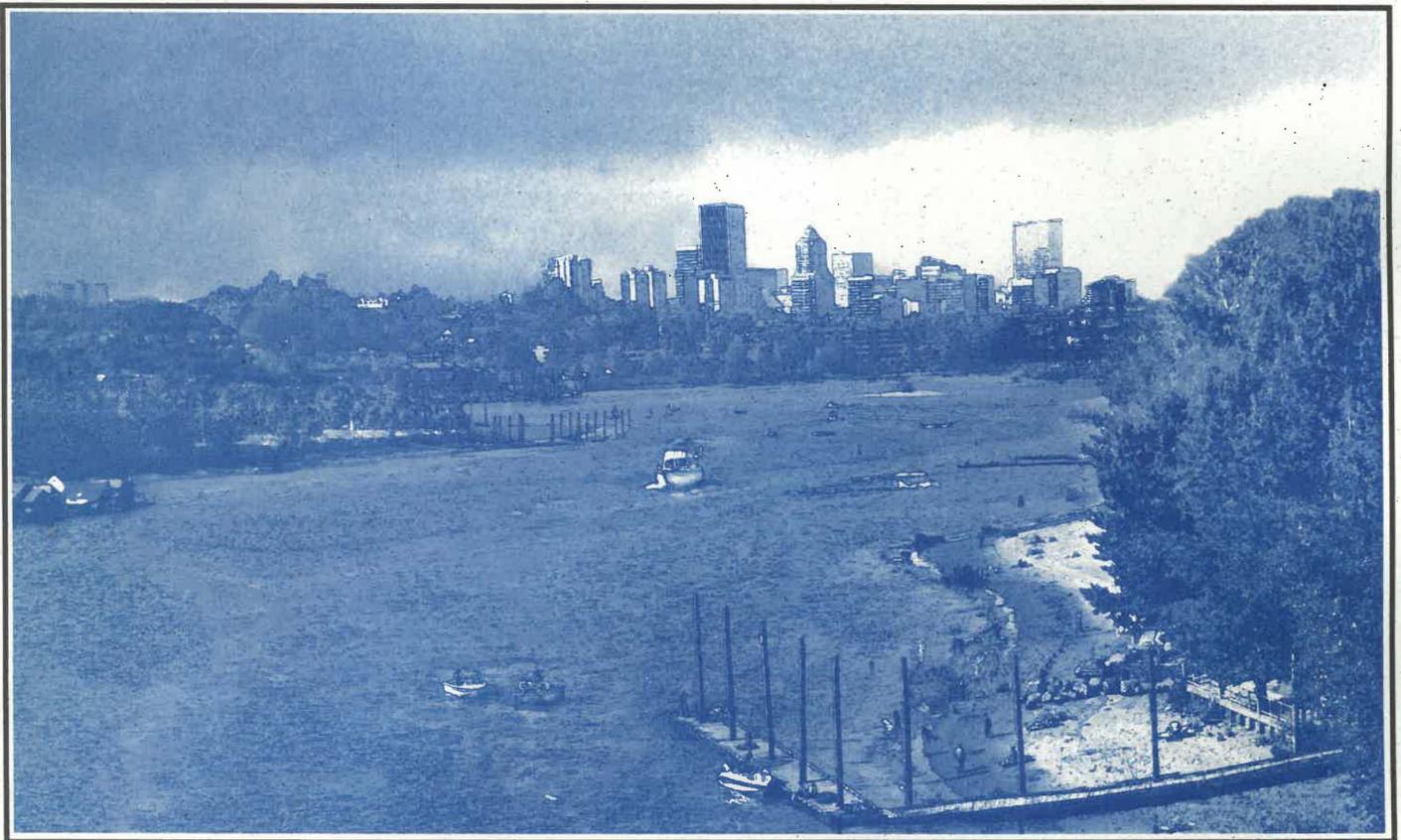


ADOPTED BUDGET

CITY OF PORTLAND

OREGON



FISCAL YEAR 2002-2003

Volume One

Bureau Budgets
Programs and Services

Portland's Willamette River Atlas River Renaissance

The composed photo illustration on the budget cover was taken from Portland's Willamette River Atlas, a colorful and educational twenty-seven-page compendium of maps and text that describe Portland's changing landscape and relationship with the Willamette River over the past 100 years. Jim Ann Carter was the graphic illustrator in the Bureau of Planning who took the original photograph and graphically shaped it into the vibrant picture seen here. Shot from the Sellwood Bridge, the right foreground highlights Sellwood Waterfront Park while Willamette Park juts into the river from the left. The Willamette River flows grandly through the region with Downtown Portland forming an impressive backdrop.

The River Atlas documents the inherent links between the Willamette River and the city of Portland and maps the current characteristics of the river. River Renaissance is the City of Portland's comprehensive initiative to respond to the challenges of the twenty-first century. The River Renaissance Vision calls for a clean and healthy river, a prosperous working harbor, vibrant new waterfront districts and neighborhoods, enhanced access to the river, and new recreational opportunities.

Adopted Budget

City of Portland, Oregon

Fiscal Year 2002-03
Volume One

Bureau Budgets
Programs and Services

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Adopted Budget

City of Richmond, Virginia

The Board of Supervisors

Adopted on _____

For the year _____

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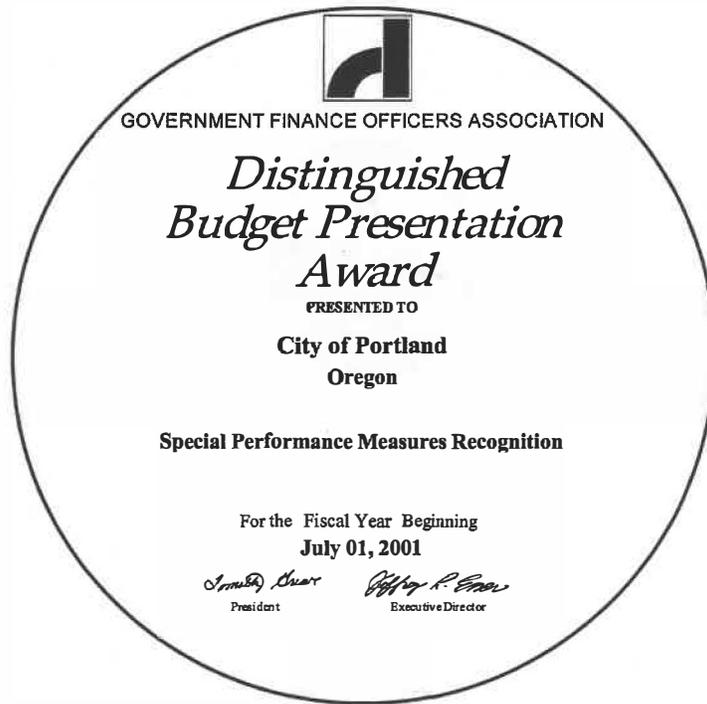


Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Portland, Oregon for its annual budget for the fiscal year beginning July 1, 2001.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





User's Guide

The FY 2002-03 Adopted Budget document consists of three volumes. Volume One contains general information about the City of Portland budget, and presents the budgets of the City's bureaus and offices. Volume Two has information about the City's funds and Volume Three contains detail on the City's capital projects.

VOLUME ONE – BUREAU BUDGETS ~ PROGRAMS AND SERVICES

- User's Guide** This outline describes the elements of Volume I.
- Mayor's Budget Message** Mayor Vera Katz presents a budget message, highlighting the challenges, opportunities, uncertainties and decisions that she and the City have faced in the development of the Adopted Budget for FY 2002-03.
- Budget Overviews**
- Budget Overview**
The Overview summarizes the City budget from a technical perspective, links decisions and programs to City Council goals and strategic issues, presents Citywide data and summarizes the budget decisions incorporated into the Adopted Budget.
- Financial Overview**
The Financial Overview provides a summary of the financial planning process and the five-year financial forecast. It also highlights key revenue and expenditure trends and issues.
- Financial Tables**
These are a series of financial summaries of operating and capital revenues and expenditures, both Citywide and for specific bureaus and funds.
- Service Area Information** City bureaus are categorized into service areas based on the nature of their programs and services. Each Service Area section of the budget document presents a summary description and highlights of the relevant bureaus. This is followed by the proposed budgets for each bureau in the service area.
- ◆ Public Safety
 - ◆ Parks, Recreation and Culture
 - ◆ Public Utilities
 - ◆ Community Development
 - ◆ Transportation and Parking
 - ◆ Legislative, Administrative and Support Services

VOLUME TWO – FINANCIAL BUDGET

- Financial Summaries** Tables at the front of Volume Two summarize the City budget across all funds. The tax levy computations and urban renewal tax certifications are included. Tables summarizing outstanding debt held by the City complete the financial summaries.
- Fund Summaries** Presented in the same service area order as Volume 1, this section details the resources and expenditures of each City fund, with brief supporting narrative.

Appendices

The appendices include three sections of documents supporting development of the City's budget:

1. **Financial Plans:** Financial Plans provide the foundation for sound budgets. The financial plans of the General Fund and the enterprise funds are included to provide a more detailed information about the financial context and implementation decisions made in this budget
2. **Financial Policies:** These policies provide a framework for financial and budgetary decisions, especially during times of constrained or constricting resources in tension with increasing expectations for services. Financial policies also provide for a basis for stability over time, leavening more immediate interests and issues.
3. **Adopting Ordinances:** The ordinances that formally adopt the budget and levy taxes are included here. Also presented is the letter of certification of the City's Approved budget by the Multnomah County Tax Supervising and Conservation Commission.

VOLUME THREE – CAPITAL BUDGET

Overview of Capital Budgeting

Includes an introduction to the City's Capital Improvement process, explains the decision process for General Fund projects, an overview of the five-year capital budget, highlights of the FY 2002-03 General Fund capital budget, highlights of the FY 2002-03 capital projects for the 'other' funds,

Citywide Summary

Various tables which present the projects by Service Area, including anticipated changes to operating and maintenance costs. the tables also present a five year forecast of the capital budgets.

Capital Projects Detail

This section also describes each capital project, its location, five year cost estimates and sources of revenue for the projects, and any change to operating and maintenance costs. The projects are presented by Service Area.

Questions

If you have any questions about the use of the document, or the City's budget, please call the Bureau of Financial Planning in the Office of Management and Finance at (503) 823-5288.



The office of
Vera Katz
Mayor Portland Oregon The City That Works

Mayor's Message

INTRODUCTION

This is a "transition budget" that realigns City services to match lower revenues. It is a budget affected by multiple forces: the economy, environmental mandates and the aftermath of September 11. The budget is a resilient budget, demonstrating the City's ability to respond to the many challenges of these tough economic times.

Our Adopted Budget minimizes the impacts on public safety services that are so critical to keeping our neighborhoods safe and secure, particularly in the aftermath of September 11. It will maintain financial stability by making sure revenues align with expenditures and by preserving our rainy day and emergency reserves to handle any future uncertainties. It moves us ahead in dealing with critical environmental issues like the cleanup of Portland Harbor, restoration of the Willamette River and its banks and protecting endangered species. It will improve the City's ability to retain businesses and attract new business, and it will continue housing and job programs that serve those most in need especially in difficult economic times. Our Adopted Budget allows us to focus on the most basic and important services while strategically positioning ourselves for future growth.

The fiscal challenges this budget addresses are significant:

Reductions citywide total more than \$25 million.

- ◆ The current year shortfall and actions necessary to achieve a minimum year-end balance of \$5.3 million in the General Fund.
- ◆ The \$18.6 million General Fund gap for next year fueled primarily by the recession and, until recently, the withholding of franchise fee payments by Qwest.
- ◆ The financial issues arising in water and sewer as a result of Customer Information System (CIS) problems, reduced consumption, an aging and growing infrastructure, improved security and environmental mandates.
- ◆ The shortfalls in Transportation due to repeated failure to increase the gas tax; and the Portland Development Commission's need to react to the Shilo Inn court decision, which may reduce tax increment funds available for projects by up to 25% or approximately \$14 million.

The City budget was prepared with the input of citizens who attended one of six "Your City, Your Choice" budget meetings or answered a budget public opinion survey. The budget is structured to protect those services citizens were least willing to cut, such as police and fire emergency response, homeless and low income housing services, domestic violence programs and, youth programs and services. This budget also responds to citizen input by continuing City efforts to reduce administrative and support services costs.

The budget also incorporates significant input from the City Council, bureau managers, my staff and all City staff. I offer my thanks to all who contributed their efforts to this budget, especially staff of the City's Bureau of Financial Planning, who have worked long hours to get it done.

**APPROACH TO
RECONSTRUCTING
THE BUDGET**

We began FY 2001-02 with a precariously balanced budget. Just prior to adoption of the City budget, Qwest informed us they would no longer pay the City of Portland franchise fees tied to their use of the public's right of way. This placed the FY 2001-02 budget in jeopardy as well as the budget for FY 2002-03.

Twice during FY 2001-02 we reduced budgets to address the Qwest problem and the effects of a deteriorating economy. In the fall of 2001, we reduced General Fund discretionary budgets by \$4.1 million. In the winter of 2002, we directed the bureaus to reduce their expenditures by an additional \$3.0 million.

These reductions were designed to achieve two objectives: reduce costs sufficiently to ensure we did not exceed projected revenues in FY 2001-02 and better position the City for structuring this budget.

Qwest has since paid the money owed the City. While that improves the financial health of the City, it does not eliminate the uncertainty surrounding this issue. It is likely that Qwest will appeal the court decision. However, given the strength of the latest court decision, we are optimistic the City will prevail in the event Qwest continues this unjustified legal action by appealing the decision. For that reason we have incorporated the Qwest revenues into the Adopted Budget.

We have also authorized fee increases for certain services subsidized by the General Fund or benefit a narrow population, such as false alarm fees in the Police Bureau and, special event fees in Parks.

After years of constrained budgets it was quite evident that we needed to restore financial stability and therefore service stability. To achieve this it was clear that a strictly across the board cut approach to balancing would no longer work. You can only thin the soup so much. We needed to review all City programs in depth and take more of a surgical approach to the problem.

The Mayor and Council made strategic reductions, protecting basic city services such as police and fire.

I used these guiding principles in restructuring the Budget:

- ◆ Take every opportunity to preserve critical public safety services by minimizing reductions in Police and Fire, ensuring continuation of the Portland Office of Emergency Management, and making improvements to the emergency 800 MHz radio system.
- ◆ Continue to reduce the costs of administrative services while maintaining adequate citywide oversight and minimizing long-term impact on support to direct services.
- ◆ Reduce General Fund subsidies to programs that have other sources of funding or are not recovering the full cost of services with existing fees and charges.
- ◆ Support programs that promote jobs and economic development that in the long term will contribute to the stability of the City and City resources.
- ◆ Assume passage of the Parks Levy and the proposed Early Childhood Levy, but reduce services in the event that they do not pass. (The Parks Levy did not pass and reductions are incorporated into this budget) The Parks Levy will be on the ballot again in the fall with the Early Childhood Levy.
- ◆ Review recent decisions to expand or add services to determine if they are still priorities given current financial conditions.

- ◆ Use reserves only as a last resort to maintain future financial flexibility, to address uncertainties, and to preserve the City's excellent Aaa bond rating; and
- ◆ Ensure that this Proposed Budget and the financial plan that supports it maintain our future financial stability.

I believe the Adopted Budget has successfully and consistently applied these principles.

In striving to maintain the financial stability of the City, we preserved the rainy day fund and made only limited reductions in the General Fund Capital set-aside. The capital set aside was reduced from \$7.0 million to \$4.9 million.

The budget has been reconstructed without the use of General Fund reserves.

Maintaining the reserves is a very important issue for the City. We knew from our recent Moody's rating that if we didn't restore financial stability we were risking the Aaa bond rating that allows us to borrow at the most advantageous rates for capital projects. Maintaining our reserves is an important component of achieving financial stability. It is also important as a cushion against future uncertainties like those that we faced with the Qwest court case, Shilo Inn court decision, the upcoming Measure 7 court decision, and labor negotiations, as well as possible further revenue decline resulting from the recession.

In order to reduce City expenditures for FY 2002-03, we began by asking the bureaus to reduce their budgets by 7%, an amount that in conjunction with other decisions would realize over \$18.6 million in programmatic reductions.

FISCAL UNCERTAINTIES

Any resources affected by the recession continue to be at risk.

Although expenditure levels are our primary concern, the uncertainty surrounding resources is an issue as well. Our financial forecast does not anticipate improvement in economically sensitive revenues until FY 2003-04. But it hasn't been all bad news. Our real estate market has remained healthy and property tax revenue growth remains strong.

Business License Tax

The onset of a national recession produced the first year-to-year decline in business license revenues since the recession of the 1980s. The year-to-year drop in revenues appears to be about \$6.7 million or 13%. Forecast FY 2002-03 revenues are set at about \$46.1 million. Business license revenues represent about 15% of General Fund discretionary revenues and are not expected to return to a more normal growth rate until the third year of the forecast.

Franchise Fees

Franchise fee growth remains weak with budgeted revenues of about \$52.3 million for FY 2002-03 a change of 1.1%. Future growth prospects are clouded both by the recent volatility of energy costs and the uncertain effect of energy deregulation. Revenues are expected to be flat next year, and growth is projected to be much slower over the five-year forecast.

Transient Lodging Taxes

The recession and the events of September 11th had a profound impact on transient lodging tax revenues. The current year's revenue estimate was \$11.5 million and actual FY 2001-02 revenues are now expected to total about \$10.4 million, a drop of 10%. Forecast FY 2002-03 revenues are about \$10.5 million, and revenues for this category are not expected to surpass \$11 million until FY 2004-05 when it is hoped that an expanded Oregon Convention Center will return this revenue stream to normal growth.

Forecast FY 2002-03 discretionary revenues total \$282.4 million. This is about -0.4% or \$2 million below Adopted Budget FY 2001-02 discretionary revenues.

Urban Renewal Tax increment Growth

The Shilo Inn court decision, which affects tax increment financing, will also impact the City General Fund resources. The impact is a loss of approximately \$1.0 million to the General Fund.

Other Considerations

There are always other financial risks to consider. The City is monitoring the courts in anticipation of a decision on the Measure 7 initiative. This is the initiative that may result in huge costs to governments if we must pay for a broadly defined "taking" of property. We are also negotiating labor agreements with our public safety labor unions and, anticipate increased Public Employees Retirement System (PERS) costs beginning in FY 2003-04.

MAJOR BUDGET DECISIONS

Among the list of potential discretionary expenditures that will help make Portland the best it can be, we will fund those items that most protect and improve our quality of life.

Office of Management and Finance

Two years ago we began an effort to realign and reduce the costs of citywide administrative services through a project called the Administrative Services Review (ASR). These services include financial planning and management, purchasing, vehicle services, printing and distribution, human resources, information technology, facilities, public information and communications. The goal is to reduce costs and minimize impacts on services. Savings from these efforts would be used to fund other programs and services that are delivered directly to our citizens.

Beginning in FY 2000-01 we have reduced administration and support by over \$15 million citywide.

Over that two-year period the ASR effort reduced costs by over \$10 million, realigned bureaus and programs, centralized services where appropriate, and improved service consistency and efficiency. We are not finished. The Adopted Budget includes another \$5.2 million in reductions from the administrative and support bureaus. These savings will again be used to protect those services delivered directly to citizens.

While striving for administrative efficiencies is the right approach, recent reductions will impact future performance.

- ◆ Citywide training and development has been significantly reduced.
- ◆ Both the City's Fair Contracting and Employment Program as well as the Equal Employment Opportunity Program has been reduced by one full-time position each, and City support for the Oregon Association of Minority Entrepreneurs (OAME) community office is eliminated. Participants will have to pay for a portion of contractor technical assistance services previously supported by the City.
- ◆ Major maintenance for City buildings has been reduced which will result in increased operating costs.
- ◆ We will be less able to keep abreast of technology changes and associated opportunities for efficiencies.
- ◆ Communications and Networking will experience increased turnaround time to respond to problems.
- ◆ The Loss Prevention Program will be curtailed at a time when claims costs are on the rise.
- ◆ Fleet vehicle replacement will be extended, potentially resulting in greater down time and higher maintenance costs.

The Office of Management and Finance will continue efforts to minimize impact on City services. They will also continue to reorganize in order to strategically focus its services by function. Although these cuts may have service ramifications, there is also some positive news. For example, we will be more capable of performing major maintenance on our 800 MHz radio system, which is critical to our public safety agencies and, by improving our financial practices, we will reduce our vehicle replacement reserve while still addressing our vehicle replacement needs.

Public Safety - Police

Public safety impacts have been minimized through reassigning support positions to patrol activities.

As I stated earlier, we are committed to protecting our public safety agencies. As such, although reductions were originally targeted at 7%, we reduced the Police Bureau budget by just 2.85% or \$2.5 million.

Despite these reductions we will have more authorized officers available to be deployed on the street than in past years and all precincts will remain open. We accomplished this by reassigning officers from administrative and support positions back to the street.

In addition to the four sworn positions held vacant this year, we will hold four more sworn positions and 22 non-sworn positions vacant next year to accomplish two objectives. One is to give the Police Bureau time to restructure its policies, procedures and systems surrounding the use of overtime. Although overtime hours are roughly the same as they were five years ago, costs have risen due to increased labor costs. Maintaining some number of vacant positions gives the bureau short-term financial flexibility in addressing the overtime costs. In the long run, it is not fiscally prudent to use the savings from vacant positions to augment an inadequate overtime budget.

The second reason for holding positions vacant looks to the future. We will hold the positions vacant rather than eliminate the positions. We will attempt to restore the funding for the positions as the economy and City resources improve.

Hearing the concerns of our citizens, we restored cuts in domestic violence positions in the Police Bureau and the Bureau of Housing and Community Development. This allows us to continue a coordinated, balanced approach to this serious problem.

The major impacts to the Police Bureau are in the following areas:

- ◆ Support staff reductions (records, evidence, and a variety of internal support functions) will deepen past cuts in these areas. These cuts will reduce the effectiveness of sworn personnel as they cope with reductions in the level of support.
- ◆ Desk Clerk cuts will reduce the precinct hours for public access and will reduce the level of administrative support available to sworn personnel.

Public Safety - Fire

The Fire Bureau is also reducing \$1.8 million (2.85%) in the Adopted Budget, although only \$1 million are ongoing reductions. No fire fighters will lose their jobs.

We rejected the proposal by the Bureau to close fire stations and also rejected the Bureau's proposal to eliminate the Portland Office of Emergency Management. We will find other means to fund this service, which has become even more important after the events of September 11. All affected bureaus will share in the cost of this critical service.

The major impacts to the Fire Bureau are in the following areas:

- ◆ Reduction of two Bureau of Emergency Communication (BOEC) liaison positions. Fire and BOEC will manage through a transition period and ensure no degradation in service delivery.
- ◆ Reduction of Advanced Life Support (ALS) from four trucks. Even with this reduction, we will maintain ALS capability at all companies.

Public Safety - Bureau of Emergency Communications

Although BOEC will sustain cuts of 7%, the Bureau Director has assured me services will continue at a high level. BOEC will work with the Fire Bureau to transition services previously provided by the Fire liaison positions. BOEC will also work with Financial Planning and our City communications bureau (ComNet) to improve the 800 MHz emergency radio system.

Parks: The Parks budget was reduced by over \$2.2 million. The Parks Levy presented to voters in the spring was supported by over 70% of those who voted, but due to the requirement to have greater than 50% voter turnout, the levy ultimately failed. We will bring this proposed levy back to the citizens in the November election when the 50% voter turnout requirement is not in effect. We will listen to our citizens on this issue, and if the proposed levy passes, the reductions will be restored.

If the levy fails the following are examples of reductions already instituted:

- ◆ Permanently closure of seven community schools and the remaining six schools for the summer.
- ◆ Reductions in parks maintenance, which will likely result in the accumulation of litter, a delay in identification and cleanup of graffiti, less frequent cleanup of open restrooms, reduced hours and permanent closure of other restrooms, and slower response to vandalism.
- ◆ Closed pools at the Metropolitan Learning Center and Buckman schools.

Arts

We have continued our commitment to the Portland Opera and the Ballet. These organizations will continue to receive \$190,000 in City funds for FY 2002-03. The Regional Arts and Culture Council (RACC) will reprogram \$380,000 in City funds currently supporting their grant match program to fund the Opera and Ballet. We have allocated \$150,000 as part of a reconstituted grant match opportunity for other community arts organizations. RACC will manage these funds. We hope to increase this amount to \$200,000 per year in future budgets. We have also added another \$225,000 in one time funds to support RACC and its' arts organization for FY 2002-03.

Housing and Homeless Facilities

In partnership with the Portland Development Commission and other public and private partners, the Adopted Budget includes over \$69.3 million for housing. Using a mix of federal funds, tax increment financing and City General Fund support, efforts will include multi-family housing, rental housing financing, housing preservation, and home repair and ownership programs. In addition, we will:

- ◆ Preserve over 1,200 units of at-risk affordable housing in the Central City by 2006.
- ◆ Create 1,000 new homeowners in the City.

- ◆ Preserve additional affordable housing properties downtown.
- ◆ Assess the feasibility of producing 10,000 additional housing units within the City over the decade.

The budget includes \$80,000 in ongoing funds specifically for JOIN, in addition to homeless facilities support. JOIN will continue to work with the Police Bureau on issues regarding citizen concerns about homeless camping in their neighborhoods.

Jobs and Economic Development

Our Adopted Budget responds to the impacts of the recession by preserving programs supporting job growth and economic development. This includes over \$1 million in City General Fund support combined with PDC funds for a total of \$16.9 million. Additionally, we will continue funding at lowered amount to support youth jobs programs in the Bureau of Housing and Community Development. A short list of the types of programs funded includes:

- ◆ Enterprise Zone
- ◆ Citywide/Regional Business Development
- ◆ Small Business Support
- ◆ Storefront Improvements
- ◆ Business Loans
- ◆ Business Retention and Expansion
- ◆ Business Recruitment
- ◆ Target Industry Jobs
- ◆ Workforce Development

In addition to these specific efforts, I will be unveiling a new overall Economic Development Strategy for the City in the next few months.

Although the Adopted Budget continues to support these jobs and economic development programs, PDC has been impacted by the recent Shilo Inn court decision. This decision changes how urban renewal taxation will be calculated based on current tax law. This decision has lowered PDC's ability to fund projects for next year by approximately 25%. This impact, in conjunction with limited tax increment growth, has lowered their FY 2002-03 budget from \$280 million to \$186 million.

Planning

The Bureau of Planning continues to deal with an inadequate base level of funding. The commissioners and I continually identify numerous high-priority planning projects that must be undertaken by this organization. The current funding strategy for Planning consisting of one-time allocations for each new project places these same projects at risk of being cut every year.

In the future we will ensure that multi-year Planning projects are incorporated into the financial forecast. We will also seek to increase the base budget to a more realistic and manageable level while maintaining proper controls on project expenditures.

For next year we have funded two related projects through an increase to the bureau's ongoing base budget. River Renaissance will be funded at \$152,000 and the River Plan funded at \$367,000 per year for four years. The budget also funds completion of the St. Johns/Lombard Plan.

Programs supporting economic development will continue with significant funding.

Other projects will be funded from the carryover of funds allocated for projects this year that will not be completed. These carryover funds will continue planning efforts for North Macadam, the Northwest Transition Plan and the Central City planning effort. This is in addition to efforts supporting the Endangered Species Act and the Portland Harbor cleanup.

River Programs and Projects

We will continue funding for efforts that make Portland a great place to live and work.

We will allocate approximately \$10 million for river projects citywide next year, as part of our \$220 million 10-year effort. Our goal is to restore Portland's watersheds and rivers.

These efforts are some of the finest examples of interbureau coordination and support programs tied to the Combined Sewer Overflow (CSO) project in the Bureau of Environmental Services (BES), cleanup of the Portland Harbor and our response to Endangered Species Act (ESA) listings.

Environmental Services

BES continues with the CSO project. This \$1 billion project has reduced overflows by over 53%, with a goal of reducing overflows by over 96% by 2011. Even with a program this large, we have worked with the bureau to limit next year's rate increase to single family homes to 7.9%, one-tenth percent below their initial request.

BES is also leading our efforts to clean up Portland Harbor in partnership with other public and private partners. BES supports ESA projects, budgeted at \$1.9 million citywide, by contributing \$443,000 and significant technical support. The Adopted Budget supports the ESA effort through the allocation of \$1 million in General Fund support.

Water

The rate increase for next year is estimated at 8.8% for the single family home. This is lower than the bureau's original request of 13.1%. The 8.8% figure integrates costs to respond to security concerns at the open reservoirs. But, this will still result in the loss of 28 positions, 10 of which are currently filled.

Before last fall, threats to water quality and supply were thought to be from natural disasters and aging infrastructure. Today we must also focus on ways to lower the risks of intentional damage to the water system. The funds in this budget are a first step. Following a vulnerability review, we expect to identify additional measures.

The Water Bureau will accelerate capital projects that enhance system security.

The total costs for enhanced security for the next five years is \$63.8 million and includes the addressing the risk of open reservoirs. We will spend \$9.2 million next year to accelerate our security enhancements. Commissioner Sten, Commissioner Saltzman and the Water Bureau have developed a plan that mitigates costs to the City with federal funding and reprioritized their Capital Improvement Plan. The rate impact for the security measures is about \$0.36/month this year. The bureau has focused on how and when, not if, the reservoirs will be covered.

The initial security package funds four elements:

- ◆ Speed up plans to replace open reservoirs at Mt. Tabor and Washington Park with buried tanks. Open reservoirs are considered the greatest risk from intentional damage. Mt. Tabor's upgrade will take place in the next five years and Washington Park within ten years. An extensive public involvement process will precede any land-use changes.
- ◆ Detailed vulnerability review for the system. This will result in proposals to improve the system or generate response plans to reduce risks.
- ◆ Emergency response plans to detect and respond to intentional damage and terrorism.
- ◆ Security staff at critical water sites. 24-hour contracted security staff has been on site since the fall. Bureau employees with water system expertise will take on these duties. They will also perform related functions, making the option cost-effective.

Currently, shut-off valves are operated manually. Design is underway to add valving and controls that allow the Water Bureau to remotely isolate the reservoirs on short notice. This project will be complete by the year's end and will cost about \$1 million.

Additionally, the Bureau is working with a national research group to identify water quality monitoring improvements for security purposes.

Green Building Initiative

Our Adopted Budget continues funding of the green building program as we support and promote healthy, resource-efficient, high performance building construction and site development. This budget adds one position to the program by reallocating internal resources within the Office of Sustainable Development and adding grant funds. Without requiring additional public funds, we will build upon the program's early success, increase our marketing of green building technical services to a wider and larger audience in the community, and provide more technical assistance to City project managers and private sector builders, designers, and developers.

Within the City, we continue to implement sustainability practices within the organization and have incorporated sustainability practices into our procurement policies and practices.

Early Childhood Development

Our budget continues support for Early Childhood Development for one year. If the proposed Children's Levy passes in the fall, this allocation will protect funds until the levy revenues begin in FY 2003-04. If our citizens do not support the levy, the programs will phase out over the next fiscal year.

Neighborhood Programs -Office of Neighborhood Involvement (ONI)

We will continue support for crime prevention and neighborhood mediation through services based in ONI. The continuation of City support for the crime prevention program is contingent upon effective management of their overtime issues.

Transportation

We can no longer assume that the Legislature will help us fix the transportation funding problem or that any local solution will occur in the near future. Considering the size of their reductions, \$5.4 million, Transportation did a good job preparing their budget. Transportation will cut full-time 19 positions, 13 of which are currently filled.

But, there were some cuts that were found unacceptable. We will continue to fund Transit Mall cleaning and leaf removal for the next year. We must find new approaches to funding these services in the future. The Association for Portland Progress (APP) has proposed contracting for mall cleaning services at a significantly reduced cost. We want to work with our unions to make that happen. It may allow us to maintain other jobs and important Transportation services. We also want to look at new ways of funding these services and doing so in a manner that allows us to provide leaf removal services citywide.

Maintaining our transportation infrastructure continues to be a challenge.

The major impacts to Transportation are:

- ◆ Preservation of the City's streets will be impacted by a \$1.1 million reduction. All slurry seal work citywide has been eliminated and 30 miles (30%) of pavement overlay work has been cancelled. Some additional pavement surface deterioration will result, but in the short run, additional street structural failures are not expected.
- ◆ Traffic signal improvements and maintenance have been cut 75% and 20% for a total reduction of \$0.7 million. Some additional signal malfunctions causing traffic delays and missed opportunities for traffic congestion improvements will result.
- ◆ Street area landscaping maintenance work has been eliminated. The City has previously serviced approximately 380 landscaped areas. The appearance of publicly owned medians, traffic islands, and street boarder areas will suffer significantly.

CONCLUSION

In my nine years as Mayor, this has been one of the most difficult budgets to craft. We were faced with closing a gap of over \$25 million citywide, including \$18.6 million in the General Fund. This will result in service impacts and the loss of up to 99 full time employee positions. But, as I stated earlier in the year in my State of the City address, we are focused, determined and pushing forward. We are dealing with the challenges of terrorist threats, changing environmental conditions, the recession and shrinking government budgets. Despite these major challenges, we are determined to keep Portlanders safe, find jobs for the unemployed and redouble our efforts to make the City government more competent and responsive. We are also pushing forward with addressing environmental issues including the cleanup of Portland Harbor, our River Renaissance, protecting endangered species and promoting sustainable business practices. I urge Portlanders to join us in keeping our expectations for our city and its future high.



Vera Katz
Mayor
City of Portland, Oregon

Overviews

City Overview

INTRODUCTION

This section of the FY 2002-03 budget document provides general information on the city of Portland, its demographics, and its government management systems. The information will help the reader understand the environment in which decisions are reached during the budget process. It will also make it easier to examine and understand other sections of this budget document.

Portland's annual budget implements Council goals through long-range strategic plans.

Portland's budget document reflects City policies, goals, and priorities. Reviewing how revenues are collected and spent, readers of the budget are actually watching policy at work. The budget implements the City's long-range strategic and financial plans and serves as an operations guide for the government and its activities. It is also a communications tool, informing residents of the short- and long-term issues and challenges confronting the City. The budget document reflects the goals of citizens and leaders alike.

DECISION PROCESS

The budget process begins and ends with a policy orientation. The City's strategic plan, Portland Future Focus, continues to provide an overall road map not just for the City, but also for its neighboring governments. It helps ensure budgetary decisions are consistent with Portland's vision for the future.

Citizen involvement in the budget process is extensive. At the onset of the budget process, the City Council reviews overall goals and sets priorities. As part of this work, the Council conducts an extensive public information and survey process, "Your City-Your Choice", to generate direct public input on City service priorities. The information derived from this process is used to finalize the Council's goals, priorities, and action plans for the annual budget cycle.

The Mayor's Message outlines the Council priorities and how they are incorporated in this budget.

The City's major bureaus also develop strategic plans and five-year financial plans to assist the Council in weighing short-term decisions against long-range requirements. These plans support the City's strategic plan. Council holds work sessions with key bureaus to discuss short- and long-term issues to be addressed in the budget process.

Bureau program budgets have a long-term perspective.

Council efforts to establish goals and priorities, explore issues, and contemplate long-range financial plans, enable the Council to give direction to the City's major bureaus prior to the submission of formal budget requests. This initial planning ensures each budget also responds to Council priorities over the long-term.

CITY OF PORTLAND CHARACTERISTICS

Basic Statistics

The city of Portland, with a population of 536,240 comprises an area of approximately 146 square miles in northwestern Oregon. Located astride the Willamette River at its confluence with the Columbia River, Portland is the center of commerce, industry, transportation, finance, and services for a metropolitan area of almost 1.8 million people. Portland is the largest city in Oregon, the seat of Multnomah County, and the second largest city in the Pacific Northwest.

Recreation

Natural Areas

Portland is situated in the heart of a vast and diverse recreational area encompassing desert, marine, forest, and mountain environments. The city is a convenient point of departure for Pacific Ocean beaches, located 78 miles to the west, and the forested Cascade mountains to the east.

Nearby Cascade mountain peaks, the Columbia Gorge, and city parks provide abundant opportunities for lovers of the outdoors.

Among the snow-capped peaks is 11,235-foot Mt. Hood, one of the world's most climbed mountains and home of the world famous Timberline Lodge, only 60 miles from Portland. There are two major ski resorts on the mountain. On a clear day, Mt. St. Helens, an active volcano, is visible from the city.

The Columbia River Gorge National Scenic Area is within 20 miles of downtown Portland. The gorge presents opportunities for swimming, hiking, boating, sailing, and camping, and is a world center for sail boarding.

The city itself contains many beautiful parks, forests, trails, and wetlands including the 40-Mile Loop (a trail of now much more than 40 miles intended to circle the city) and Forest Park, at 5,000 acres the largest wilderness park in the United States.

Visitor Opportunities

Because Portland is Oregon's largest city and the center of business and transportation routes in the state, it attracts many tourist and business visitors. A major symphony, the Rose Festival, art and historical museums, the Oregon Museum of Science and Industry, the Western Forestry Center, the Classical Chinese and Japanese Gardens, the International Rose Garden, and the Oregon Zoo are a few of Portland's cultural and recreational attractions.

Current sports teams delight fans.

Portland's professional sports teams include the Trail Blazers of the NBA, the Portland Fire of the WNBA, and the Winter Hawks, a professional hockey team. The city's main arena, the Rose Garden, was opened in October 1995 as a private and public sector joint venture,

A \$38.5 million renovation of the city's Civic Stadium, now called PGE Park, has brought the Triple A Beavers baseball and Portland Timbers professional soccer to Portland. The refurbished stadium also provides the city with a modern, updated venue for concerts and community events.

The Economy

Shipping and Other Port Facilities

Portland is the leading warehousing and distribution center for the Pacific Northwest, serving a market area of about seven million people. Portland's deep water location on the Columbia River gives it substantial geographic and economic advantages for freight shipping.

The Columbia River ship channel is maintained at a depth of 40 feet from the Portland harbor to the Pacific Ocean, 110 miles downstream. Portland is a regular port-of-call for many shipping lines serving major world trade routes. The Port of Portland, a governmental unit responsible for air and marine port facilities, offers outstanding opportunities for expanding export industries, investments, business and travel.

The Portland airport continues to grow rapidly.

Portland International Airport (PDX) is one of the fastest growing major airports on the West Coast. From 12.7 million passengers in 2001, ridership is expected to double over the next twenty years. Currently, the airport serves over 580 daily passenger flights on 31 different airlines. In line with continuing growth, a new concourse C and south lobby were opened in the fall of 2001.

Manufacturing

A diverse economy is key to Portland's success.

Portland's economy has slowly diversified over past decades. Steady growth in non-traditional sectors, such as the manufacture of electrical equipment, instruments, and related products, has placed Portland in an economic structure that shows continued strength, typically exceeding national economic growth.

Vestas, the Danish leader in wind technology, announced plans to build a large plant in Portland.

Semiconductor manufacturers, such as Intel and Wacker Siltronic, have established major facilities in the region. Vestas Wind Systems, one of the world's leader in wind technology, is in final negotiations with Portland to be the site of a large wind turbine manufacturing plant. The Danish corporation anticipates full operation by the summer of 2004, with 1,000 employees. Tektronix, Nike, Boeing, Kaiser Permanente, and Fred Meyer are some of the other major employers in the Portland metropolitan area.

Strong Downtown Core

The City's financial commitment to its downtown has resulted in one of the nation's most attractive urban cores. Development activity has balanced well with strong gains in housing, retail, and office space. The downtown area has experienced one of the strongest building expansions in its history.

Downtown has witnessed a building boom in recent years.

Several major hotels have been built over the past two years. Two more, the Residence Inn by Marriott and the Hilton Executive, were completed and opened for business in the past year.

The Pearl District is a highlight of Portland redevelopment.

The City of Portland maintains strong historic preservation and multifamily housing programs. This assistance in the preservation of downtown housing and historic structures has created a unique urban atmosphere. The blend of old and modern facilities enhances downtown livability. This livability is exemplified by the Pearl District, a modern mix of loft apartments, condominiums, small shops, and galleries, built in an area north of downtown formerly used for warehouses and factories.

Mass Transit

The Tri-County Metropolitan Transportation District (Tri-Met) provides transit services throughout the metropolitan area. Tri-Met operates 97 bus lines and provided 62 million bus rides in 2001. In October of 2001, the total system provided more than 300,000 daily weekday trips. System ridership continues to grow, with totals more than tripling during the past twenty-five years.

The downtown Transit Mall is at the heart of the Tri-Met's regional system.

The centerpiece of the system is the downtown Transit Mall; 47 bus routes go through this 36-block area providing easy connections between buses and light rail. The Transit Mall is at the center of the larger 300 square block downtown Fareless Square. Tri-Met has recently expanded Fareless Square to the Lloyd Center shopping area on the east side of the Willamette River.

The city's newest light rail line will be completed in 2004.

MAX, Tri-Met's nationally recognized light rail system, runs on a 33-mile line between Hillsboro (18 miles to the west of downtown) and Gresham (15 miles to the east). With a growing base of riders, Tri-Met continues to expand the system.

A new 5.5 mile spur from eastside MAX to the Portland airport, built through a public/private partnership, opened in the fall of 2001. An additional Interstate MAX line is under construction, from the Rose Quarter in inner Northeast Portland to the Expo Center in North Portland. This 5.8 mile extension is anticipated to be in operation by the fall of 2004. MAX lines have added significant economic value to the region. To date, over \$2.4 billion in investments have been developed along MAX corridors.

Working with Tri-Met, the City recently completed construction of a 2.1 mile streetcar line. The line began operating in October of 2001 and runs from Northwest Portland, through the rapidly developing Pearl District, to Portland State University's urban plaza.

The Region and Its Environment

Portland is one of the first cities in the country to have waterways listed under the Endangered Species Act.

Portland, like other municipalities, works to maintain a high quality of life and a healthy environment. Under the Endangered Species Act, steelhead and salmon within Portland area watersheds were listed as threatened species. In that context, the City has to carefully balance environmental, recreational, and commercial concerns as it develops both banks of the Willamette River through the River Renaissance project.

As part of the development of the long neglected east bank, the City opened the East Bank Esplanade, a 1.5 mile long trail running along the river opposite the downtown skyline. The trail includes a 1,200 foot long floating walkway, the longest of its kind in the United States. Developed for walkers, joggers, bicyclists, citizens in wheel chairs or on skates, the new esplanade gives visitors unparalleled views of downtown Portland and provides a unique perspective on the river and Portland's eastside.

Metro is the country's only elected regional government.

Under Oregon land use law, the Portland area is surrounded by an urban growth boundary. Metro, the country's only elected regional government, manages the boundary and growth within it. Balancing growth with the maintenance of natural amenities is one of the region's major challenges.

Citizens concern for open space was demonstrated through passage of a \$135.6 million open space acquisition bond measure in 1995. Metro is using the bond funds to purchase more than 6,000 acres of natural areas, trail corridors, and greenways.

Post-Secondary Education

Portland State University's new urban plaza sits the city's new streetcar line.

Portland State University, one of the three large state universities in Oregon and the largest in the Portland area, is located on a 26-block campus adjacent to the downtown business and commercial district. As part of its nationally recognized University District Plan, PSU opened a new public administration building and urban plaza in 2001 and will build a new \$60 million engineering facility nearby.

Many fine schools dot the Portland landscape.

The Portland area also hosts many other notable institutions, including public, private, and health-oriented schools. Portland, Mount Hood, and Clackamas Community Colleges provide excellent and affordable two-year programs for many area residents. Private institutions like Lewis and Clark College, Reed College, and the University of Portland have each graduated outstanding leaders in diverse fields. Three of the nation's leading health science schools found in Portland are Oregon Health Sciences University, National College of Naturopathic Medicine, and Western States Chiropractic College.

These educational assets, plus clean water and air, cultural diversity, architectural beauty, and the relative ease of getting around, combine to make Portland a popular, livable city. Portland is consistently rated as one of the best cities in the United States in which to live and do business.

A PROFILE OF PORTLAND'S CITIZENS

Source: US Census Bureau

General Characteristics	1990	Percent of Total	2000	Percent of Total	Growth or Decline
City Population					
Total ¹	437,319	----	529,121	----	21.0%
Female	225,405	51.5%	267,556	50.6%	18.7%
Male	211,914	48.5%	261,565	49.4%	23.4%
Age					
Below 5 years	30,314	6.9%	32,300	6.1%	6.6%
6 to 24 years	110,264	25.2%	133,715	25.3%	21.3%
25 to 44 years	159,815	36.5%	183,604	34.7%	14.9%
45 to 64 years	73,269	16.8%	118,339	22.4%	61.5%
65 years and older	63,657	14.6%	61,163	11.6%	-3.9%
Race/Ethnic Distribution ^{2,3}					
African American	----	----	35,115	6.6%	----
Asian	----	----	33,470	6.3%	----
Hispanic	----	----	36,058	6.8%	----
White	----	----	412,241	77.9%	----
Other	----	----	26,340	5.0%	----
Education (Age 25 or greater)					
High school or less	125,054	42.0%	133,073	36.6%	6.4%
Some college through Associate degree	95,423	32.0%	112,080	30.8%	17.5%
Bachelor's degree	50,212	16.9%	77,321	21.3%	54.0%
Graduate degree	27,047	9.1%	41,377	11.4%	53.0%

1. Total city of Portland 2001 population is 536,240. Gender, age, and race/ethnic data are not available at this time.

2. Race and ethnic data before 2000 are not comparable as the US Census Bureau changed its methodology for the 2000 census.

3. Percentages add to more than 100%; some respondents report more than one race or ethnic group.

Portland At Work	1990	Percent of Total	2000	Percent of Total	Growth or Decline
Occupation *					
Management, professional, and related Service	----	----	102,760	33.2%	----
Sales and office	----	----	41,441	30.8%	----
Farming, forestry, and fishing	----	----	73,250	12.9%	----
	----	----	679	0.9%	----
Construction, extraction, and maintenance Production, transportation, and material moving	----	----	19,405	9.6%	----
Total employed - 16 years and over	218,750	----	38,546	12.6%	----
	218,750	----	276,081	----	26.2%
Median household income (2002 dollars) ⁵	\$37,108	----	\$43,327	----	16.8%

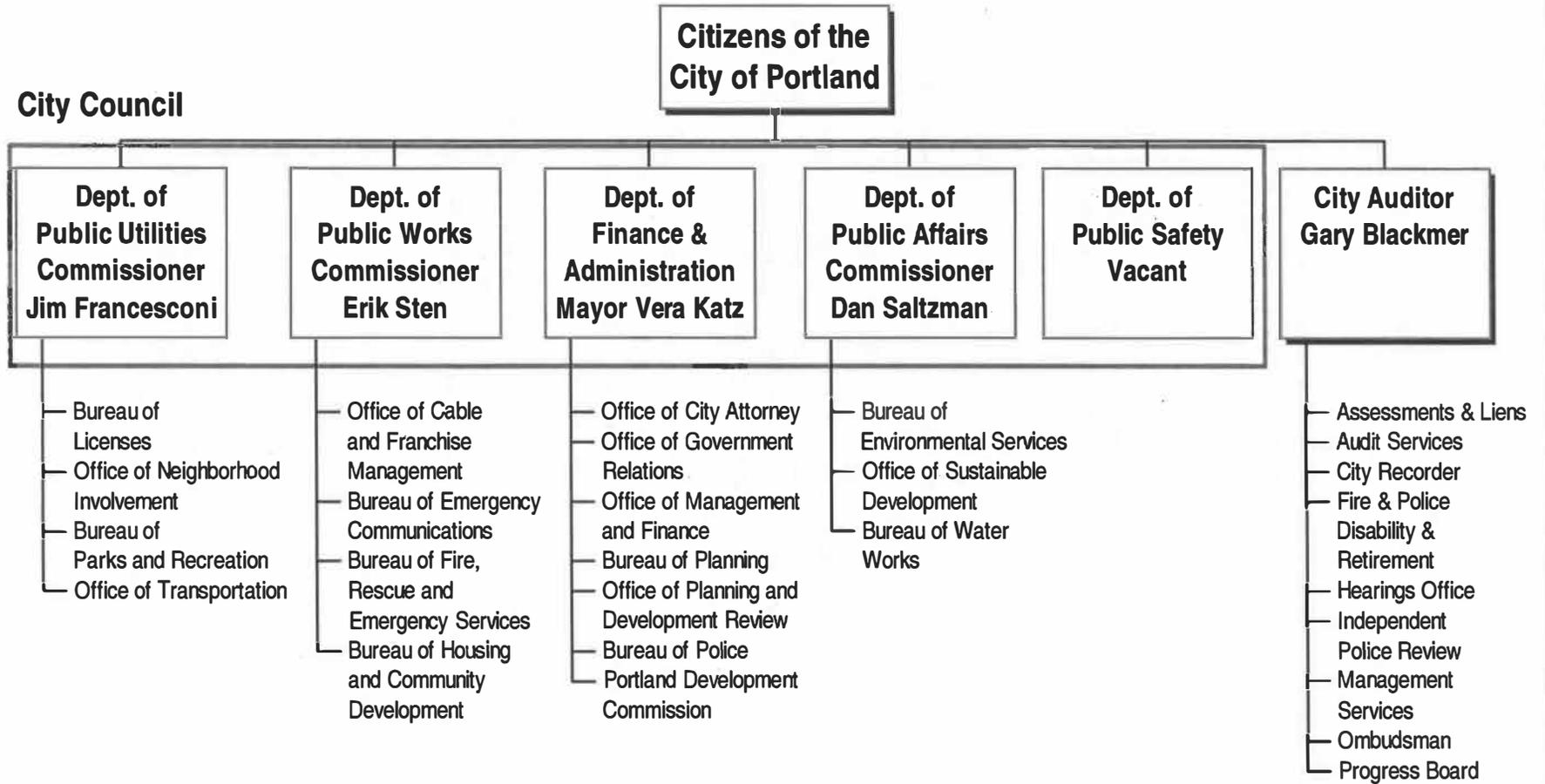
4. The census used a new system to categorize occupation in 2000. 1990 data are not comparable.

5. The comparison is 1989 to 1999 data.

Housing in Portland	1990	Percent of Total	2000	Percent of Total	Growth or Decline
Housing Units					
Number of owned units	99,206	53.0%	124,767	55.8%	25.8%
Number of rented units	88,062	47.0%	98,970	44.2%	12.4%
Median home price (2002 dollars)	\$80,604	----	\$161,740	----	100.7%
Building permits issued ⁶	2,562	----	1,672	----	-34.7%

6. The comparison is 1990 to 2001 data.

Figure 1: City Organizational Chart



FORM OF CITY GOVERNMENT

The city of Portland, incorporated in 1851, is a home rule charter city. The City Charter is the basic law under which the City operates and can be amended only by a vote of the people. In 1913, a modified commission form of government was created, which is rare in cities as large as Portland.

Portland has a modified commission form of government --- rare in the United States.

The Charter provides for five non-partisan Council members, called Commissioners, including the Mayor. They are elected at-large to four-year terms. The positions are full-time and salaried. The City Auditor is also elected and required by Charter to be a Certified Public Accountant. The Auditor is not part of the Council and has no formal voting authority.

Mayor and Commissioners act as legislators and administrators.

The Mayor and Commissioners act as legislators and administrators. Thus, Council members are responsible for enacting City laws, enforcing City laws, and administering bureaus under their supervision. Figure 1 on page 19 depicts the City's current organizational chart.

The Mayor is the formal representative of the City, responsible for assigning each of the commissioners responsibilities for one of five departments: Finance and Administration, Public Affairs, Public Safety, Public Utilities, and Public Works. The Mayor also decides which agencies the commissioners will manage. These assignments can be changed at any time by the Mayor. Traditionally, the Mayor has been the Commissioner of Finance and Administration. Current assignments are shown in Figure 1 on page 19.

The City Auditor is an elected position.

The Auditor receives and maintains all documents relating to the accounts and contracts of the City, including its debts, revenues, and financial affairs. The position is responsible for conducting financial and performance audits of City bureaus and their functions. In addition, the Auditor's Office serves as the Council Clerk, responsible for the processing and filing of all official Council actions.

The City operates under the provisions of the City Charter and City Code, which are consistent with the Oregon Constitution and State law (the Oregon Revised Statutes). Ordinances are passed by a simple majority vote of three of the five Council members.

CITY TRENDS

The following trends and ten-year comparison charts provide important information to city residents and management of the City. The ten-year trends shown are mostly current through calendar year 2001 and are updated every two years. A review of these trends indicates:

Rapid Growth

Over the last ten years, primarily as a result of an aggressive annexation program, the city has experienced significant growth. The area served has increased by 7.5%, with residents served increasing by about 18%. Projections indicate that over the next two decades the Portland metropolitan area can expect over 500,000 new residents.

Revenue Base Adjusts to Property Tax Limitations

In response to ballot measures that limit property tax growth, City operating revenues have had to diversify to maintain the base necessary to meet citizen service demands. While property taxes have declined as a percentage of operating revenues, user fees and elastic revenues, such as business license and franchise fees, hotel/motel taxes, and building permit fees, have increased.

Expenditures and Financing Meet Service Demands

Expenditures for services have risen faster than inflation, until 2001, in response to citizen service requests. In particular, community development programs have expanded significantly over the past few years as the City supports its commitment to affordable housing.

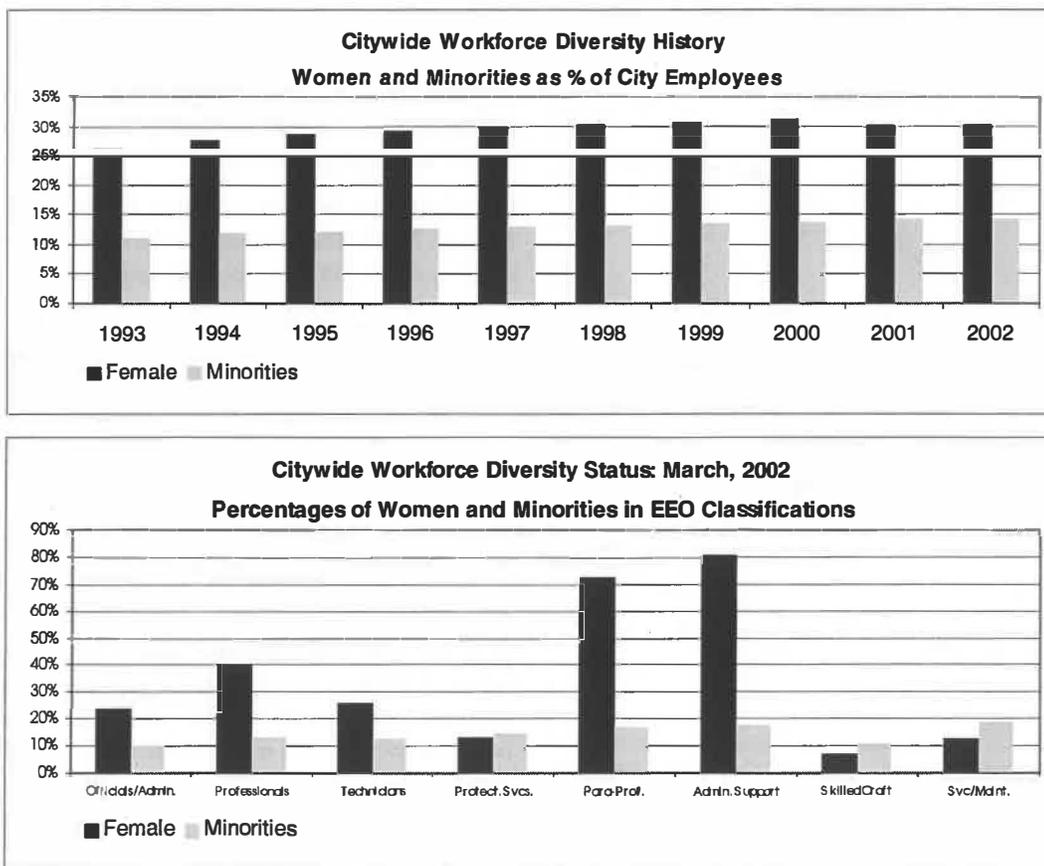
Despite an increasing population, more and varied demands for service, and restrictions on the tax base, the City has maintained a healthy cash position. Unreserved fund balances are adequate to meet service needs in an economic downturn or financial emergency, while the City's liquidity ratio remains over 1.0, an indication that the City can meet its short-term obligations.

WORKFORCE DIVERSITY

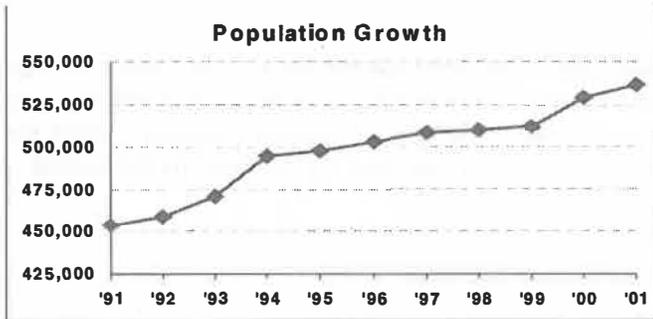
The Council has directed that all City bureaus develop a workforce reflecting the rich cultural diversity of Portland as a community. In figure 2 below, the first chart indicates that women employees, as a percentage of all City employees, have slowly increased and are currently stabilized at approximately 30%. The percentage of minority employees continues to grow and is just over 14.3% in 2002.

The second chart, Figure 2 on page 21, is current as of March, 2002. It shows that female employment (in the City) is concentrated in the para-professional and administrative support categories, although representation among professionals is relatively high. Minority employment is not concentrated in particular categories.

Figure 2: Workforce Diversity Data

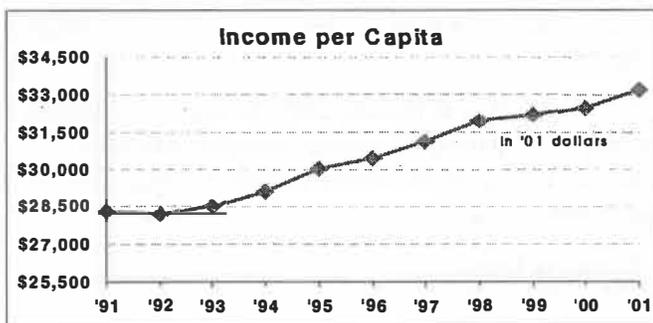


Demographic Data



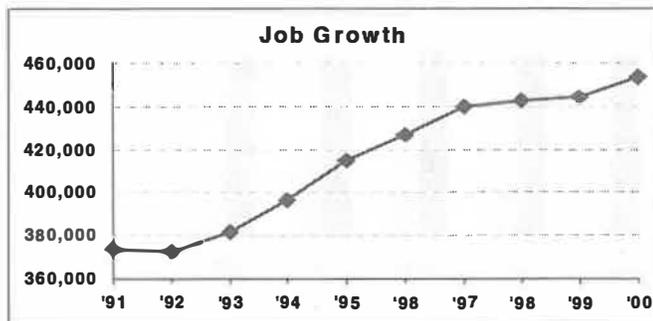
Rapid increases can be a negative trend if service demands increase faster than revenue growth. Similarly, declines in population can reduce demand and revenue requiring cuts in expenditures.

Total city population has increased about 18% over the past ten years - from 454,150 to 536,240. Annexations have added over 8% or approximately 100,000 residents.



Declining income per capita is a warning trend indicating general economic problems and potential declining ability of citizens to provide tax resources for government services.

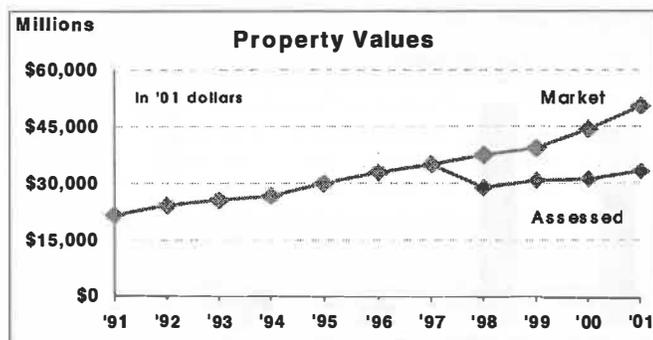
Income per capita has increased yearly since 1993. Total increase is 15% over the past ten years to an estimated \$32,496 in 2000.



Declines in the number of jobs indicates potential problems with economic vitality and can contribute to higher unemployment rates.

Over 80,000 jobs were added in Multnomah County from 1992 to 2000. There were over 453,000 private and public sector jobs in 2000, more than any time in history.

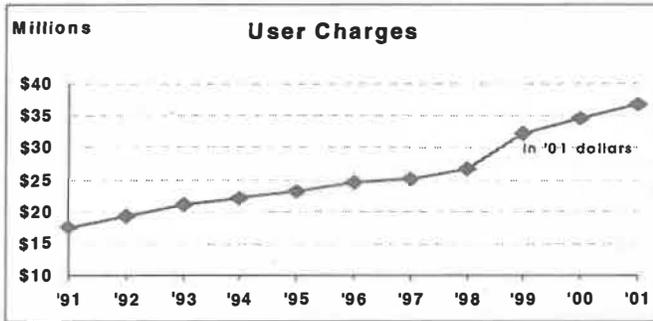
Job growth has been most significant in services, retail trade, construction, transportation, and local government.



Assessed property value is a measure of the taxable value of real, personal, and utility property in the city. Market values are an indicator of sales value and can be an indicator of economic vitality.

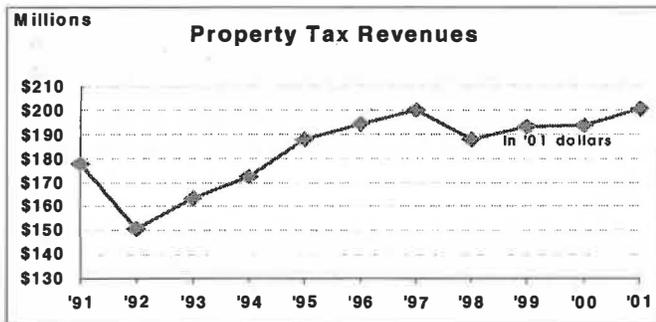
Assessed values mirrored market values and increased steadily from 1990 through 1997. In 1998, assessed values dropped 18% as property tax limitation Measure 50 rolled assessed values back to 90% of 1996 values and limited future growth to 3% a year plus the value of new construction.

Revenue Trends



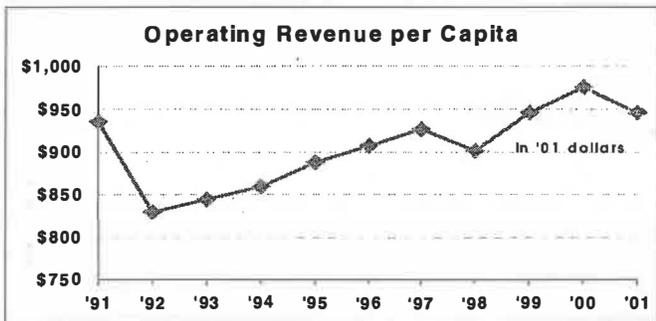
User charges are designed to cover all or part of the costs of services like recreation programs, building permits, and parking control. Such fees should keep pace with inflation.

Per capita, city residents paid an average of \$43 in user fees in 1992 and \$69 in 2001. Fees for parks and recreation use, rents and reimbursements, and building and development fees have grown the fastest.



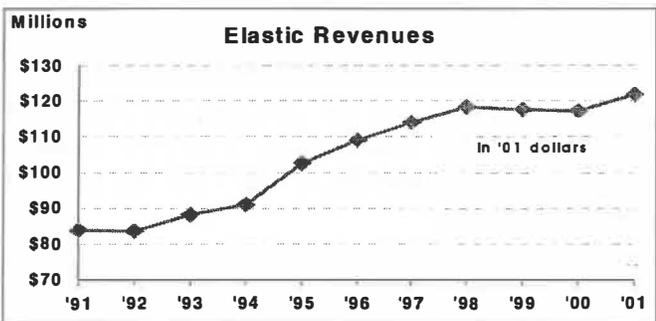
Property taxes are paid on the assessed value of real, personal, and utility property. City property taxes are also generated by separate levies that support police and fire pension benefits and various capital improvements:

Due to property tax limitations measures passed in 1991 and 1997, growth in this type of revenue has been limited. Property taxes now represent about 40% of operating revenues, down from 43% in 1996.



Operating revenues include property and gas taxes, business licenses, user fees, intergovernmental revenues, and other general police, fire, parks, streets, and central administrative revenues.

Declining revenues per capita could signal the City's inability to provide existing services as the population grows. The declines in 1992 and 1998 were largely the result of passage of property tax limitation measures 5 and 50 respectively.

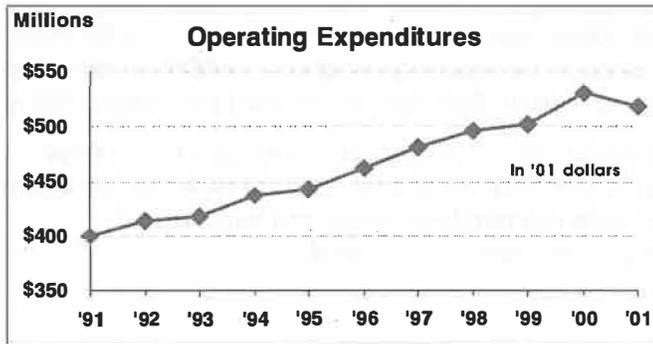


Elastic revenues are those highly responsive to economic conditions. These include business licenses, utility franchise fees, motel and hotel taxes, and building permits.

Adjusted for inflation, elastic revenues have grown over the past 10 years, increasing by 46% since 1992.

Business license fees are the largest and fastest-growing source of elastic revenue. Overall, these revenues comprise 24% of net operating revenue.

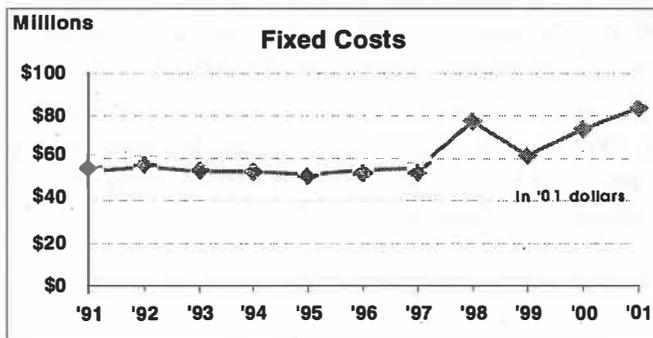
Expenditure Trends



Operating expenditures include personnel, materials and services, and capital costs for public safety, parks and cultural activities, community development, transportation and parking, and legislative and administrative services.

Spending per capita has grown about 7% more than inflation over the last 10 years.

Community development programs had the largest increase, 106%, due to affordable housing commitments, development, planning and building activities, and local neighborhood school support.

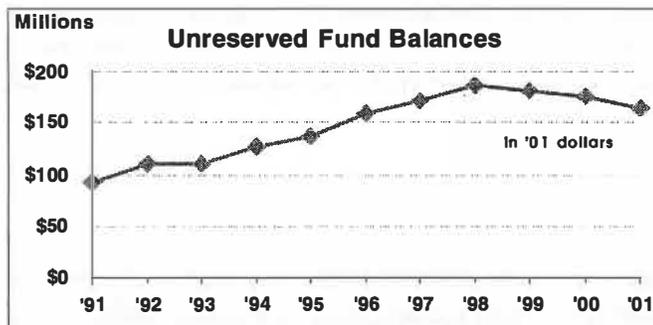


Fixed costs are mandatory expenditures over which the City has little short-term control. Examples include pension benefits and repayments of bond principal and interest.

Fixed costs have increased over the past four years and now represent 16% of total operating expenditures.

The large increase in 1998 was due to a one-time payment to certain fire and police retirees and payments on street improvement bonds.

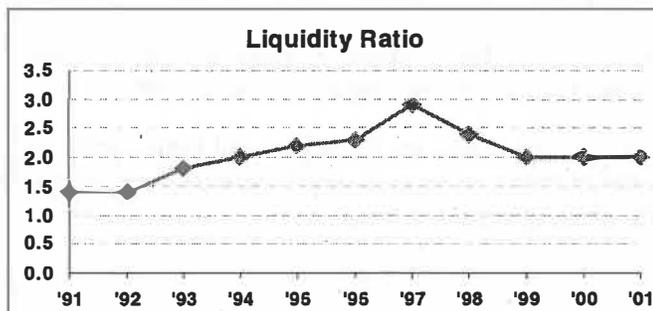
Financing Trends



Unreserved fund balances represent money available for capital purchases, emergencies, and future obligations.

Declining or low balances may indicate a government is not able to meet service needs in an economic downturn or financial emergency.

At the end of 2001, over half of the balance was intended to pay health, liability, and workers' compensation claims, and to replace vehicles, computer systems, and communication and other equipment.



Liquidity is a ratio of cash and short-term investments to current liabilities and is an indicator of the City's ability to pay its short-term obligations. A ratio above one is acceptable.

Adjusted for inflation, net cash after paying current liabilities grew from \$27 million in 1992 to \$106 million in 2001, a 293% increase.

Budget Overview

A GUIDE TO THE BUDGET OVERVIEW

The City of Portland budget document for FY 2002-03 offers a great deal of fiscal, programmatic and policy information. In general, the document drills down from Citywide information to levels of increasing detail.

This Budget Overview provides summary information about the Adopted Budget for FY 2002-03. You will find greater detail and discussion about the effects of financial reductions and re-allocations on programs and services in the different Service Area Overviews of this document, and as well in each bureau's section.

Within the Budget Overview, we present the City's budget decisions and financial information from a variety of perspectives, each of which offers its own particular insight. There is special emphasis on the General Fund, as it encompasses the discretionary resources available and thus represents the most flexibility for the Mayor and Commissioners to allocate funds for specific programs. In most instances, the dollar amounts in the Budget Overview are shown in comparison with the Revised Budget for FY 2001-02. In the following pages, you will find information on:

- ◆ Total City Budget
- ◆ Expenditures by Major Object Category
- ◆ General Fund Budget
- ◆ Summary of Decisions by Strategic Issue
- ◆ General Fund Revenues - Summary of Changes from the Previous Year
- ◆ Other Funds - Summary of Changes from the Previous Year
- ◆ Capital Improvement Plan

You will find summary financial tables in the Financial Tables section of this budget document. These tables also present the information from a variety of perspectives.

BUILDING A BUDGET TO MEET CITY GOALS

It is never easy to develop a City budget, given the balancing of service demands and higher costs with limited resources. But it has been particularly difficult to build a budget for FY 2002-03. Increasing expenditures, particularly for health benefits, and a virtually flat growth rate in revenues because of the recession and tax limitations have combined to make it impossible for the City of Portland to maintain its current levels of service. This is true in almost every fund and bureau of the City: Environmental Services, Water, and Transportation, and the General Fund bureaus of Police, Fire and Parks.

Limited City resources have required the Council to be strategic in focusing the budget to support the established Council priorities, although in many instances at lower service levels.

- ◆ Maintain a financially stable City.
- ◆ Build a livable city through good planning and well-managed growth.
- ◆ Ensure a safe and peaceful community.
- ◆ Build a multi-modal transportation system.
- ◆ Maintain and improve our parks, green spaces, water and air sheds.

- ◆ Ensure decent, affordable housing.
- ◆ Promote economic vitality and access to quality jobs for all.
- ◆ Support quality education to produce well-educated citizens.
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in City activities and services.
- ◆ Keep the central city vital.
- ◆ Become a more effective partner in the region.
- ◆ Grow as an international city.

In addition to these priorities, Council had identified a number of strategic issues that will be addressed in this and future budgets. The issues relate to the Council priorities and in many cases have both short-term and longer-term impacts. While in no priority order, issues requiring critical strategic thinking and potential action include:

- ◆ Deteriorating physical infrastructure.
- ◆ Lack of local authority to address local issues with local funding.
- ◆ Public safety and security.
- ◆ River Renaissance and environmental mandates.
- ◆ Portland government structure and intergovernmental roles and responsibilities.
- ◆ Long-term planning and development.
- ◆ Impact of demographic changes.

This list is by no means inclusive but it provides insight to the strategic issues and concerns the Council faces now and in the future. In this Overview, the 'Summary of Decision by Strategic Issues' section describes some of the decisions as they are incorporated into the Adopted Budget.

Budget Direction

As a first step in the development of the City budget, bureaus that receive General Fund discretionary resources were allocated an increase of 2.2% (CPI). This establishes what it would cost to deliver the current level of services (CSL). From this base budget, bureaus were directed to prepare reduction packages of 7%, which would result in General Fund bureau reductions of \$18.6 million. The bureaus were encouraged to propose revenue enhancement packages as well.

The Mayor then re-allocated the savings from these reductions and revenue enhancements to strategically restructure the Proposed Budget. Noteworthy among the results is that there are limited reductions to public safety services, revenue-producing bureaus are protected and, there is continued funding for economic development programs.

The Parks Bureau budget was reduced \$2.2 million in response to the failure of the operating levy.

The Parks Bureau received special consideration this year. City Council authorized the submittal of a Parks Operating Levy, which was voted on in the May election. If the Parks Levy had passed, the Parks budget would remain whole. However, the levy failed, and Council implemented \$2.2 million in reductions in the Parks Bureau budget.

BUDGET SUMMARY

Total City Budget

The total city budget is down by \$141 million from the FY 2001-02 Revised Budget.

Total Legal Budget

State of Oregon Local Budget Law requires reporting of the City's total budget. This is defined to include total operating costs and the internal transactions between funds. The Total Adopted Budget for FY 2002-03 is \$1.95 billion, which reflects a \$141 million reduction from the FY 2001-02 Revised Budget.

Total Net Budget

The calculation for total City budget overstates actual expenditures for programs, because it double counts internal transactions. Such transactions occur between City funds, typically when one City agency provides services to another. Because this technically inflates the budget, the City usually references a net budget.

The Adopted Budget is \$127 million lower than the FY 2001-02 Revised Budget.

Eliminating the double count for the internal transfers, the City's net budget for operating and capital requirements in FY 2002-03 is \$1.39 billion. This is a \$127 million decrease from the FY 2001-02 net Revised Budget. Table 1 of the Financial Summaries provides greater detail of the total and net City budget figures. A summary is shown below:

	Revised FY2001-02	Adopted FY2002-03	Dollar Change	Percent Change
Total City Budget	\$ 2,092,630,345	\$ 1,951,423,909	\$ (141,206,436)	-6.7%
Less: Tax Anticipation Notes and Internal Transfers	\$ (570,527,589)	\$ (556,173,944)	\$ 14,353,645	-2.5%
Total City Net Budget	\$ 1,522,102,756	\$ 1,395,249,965	\$ (126,852,791)	-8.3%

Expenditures by Major Object Category

The table below presents another perspective on the Citywide expenditures at the bureau level.

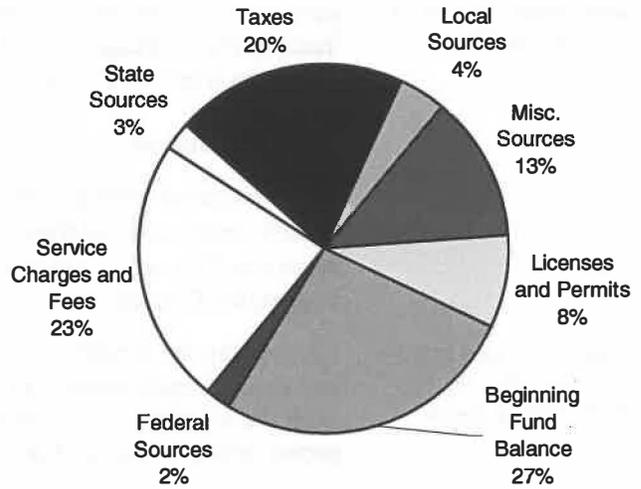
Major Object Category	Revised FY2001-02	Adopted FY2002-03	Dollar Change	Percent Change
Personal Services	\$ 393,181,412	\$ 398,203,887	\$ 5,022,475	1.3%
External Materials & Services	\$ 421,975,517	\$ 379,846,381	\$ (42,129,136)	-10.0%
Internal Materials & Services	\$ 142,512,963	\$ 139,625,710	\$ (2,887,253)	-2.0%
Capital Outlay	\$ 139,592,037	\$ 147,608,128	\$ 8,016,091	5.7%
Equipment Cash Transfers	\$ 4,375,543	\$ 25,000	\$ (4,350,543)	-99.4%
	\$ 1,101,637,472	\$ 1,065,309,106	\$ (36,328,366)	-3.3%

Total City Budget Charts

The following charts graphically summarize the total City budget. For a numerical summary, refer to Table 2 - Operating and Capital Budget by Service Area, which is in the Financial Tables section of this document.

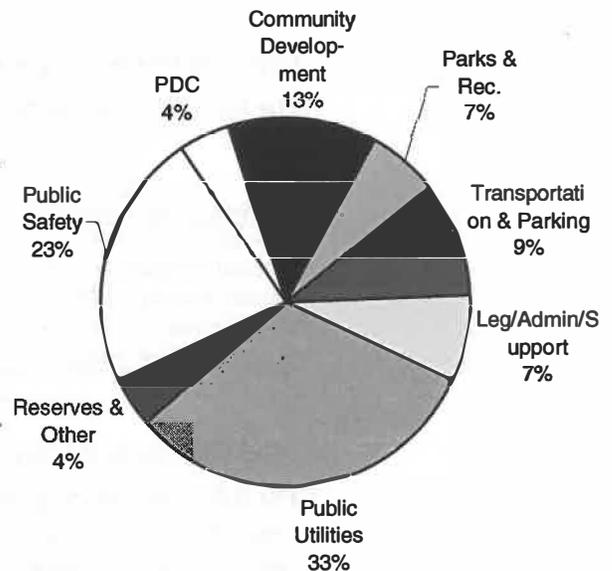
City Net Budget - Resources by Major Category

Resource	Budget	Percent
Beginning Fund Balance	\$ 372,241,417	26.7%
Taxes	\$ 280,547,441	20.1%
Licenses and Permits	\$ 113,545,696	8.1%
Service Charges and Fees	\$ 326,109,519	23.4%
Federal Sources	\$ 30,959,010	2.2%
State Sources	\$ 35,178,330	2.5%
Local Sources	\$ 58,361,901	4.2%
Misc. Sources	\$ 178,306,651	12.8%
Total Net Budget:	\$ 1,395,249,965	100.0%



City Net Budget - Requirements by Service Area

Service Area	Budget	Percent
Leg/Admin/Support	\$ 104,153,310	7.5%
Community Dvlpmnt	\$ 184,988,086	13.3%
Portland Development Comm	\$ 59,499,626	4.3%
Parks	\$ 88,932,032	6.4%
Public Safety	\$ 317,349,395	22.7%
Transportation	\$ 138,395,861	9.9%
Public Utilities	\$ 443,432,397	31.8%
Reserves	\$ 58,499,258	4.2%
Total Net Budget:	\$ 1,395,249,965	100.0%



General Fund Budget

General Fund resources are categorized as either discretionary or non-discretionary. Discretionary resources are those that the Mayor and Commissioners can allocate to fund programs and services in any area. In other words, there are few restrictions on how these resources can be allocated. Typically General Fund discretionary resources are used to support such basic City services as police, fire and parks.

Discretionary resources total \$282.3 million, 76% of the General Fund.

Discretionary resources include property taxes, utility license fees, business license fees, transient lodging taxes, state shared revenues (from cigarette and liquor taxes), interest income, and miscellaneous revenues and cash transfers into the General Fund. Non-discretionary resources include grants, contract revenues, service reimbursements, and other revenues specifically dedicated for a particular purpose.

All General Fund resources are also categorized as either one-time or ongoing. An example of a one-time resource is an increase in beginning fund balance. While available in the specific year, it is not a resource that can be relied upon in future years. An example of an ongoing resource is an increase in property tax revenues that would be sustained over time. The City budget uses a combination of one-time and ongoing resources to fund programs and services. City financial policies state that one-time resources may not be used to fund ongoing expenses.

Net General Fund Budget

The following charts summarize the City's net General Fund Budget. For the numerical summary, refer to Table 3 - General Fund Revenues and Expenses, in the Financial Tables section.

General Fund resources decrease \$1.99 million from the FY 2001-02 Revised Budget.

Note: The City's Net General Fund Budget is the same as its legal General Fund Budget, and totals \$365.7 million in FY 2002-03.

Figure 3: General Fund - Resources by Major Category

Resource	Budget	Percent
Beginning Fund Balance	\$ 9,293,255	2.54%
Property Taxes	\$ 149,036,195	40.75%
Lodging Taxes	\$ 10,488,630	2.87%
Business Licenses	\$ 46,640,528	12.75%
Utility License Fees	\$ 51,610,095	14.11%
Services Charges and Other	\$ 30,715,277	8.40%
Intergovernmental	\$ 26,501,859	7.25%
Transfers from Other Funds	\$ 41,417,234	11.33%
Total General Fund Budget:	\$ 365,703,073	100.00%

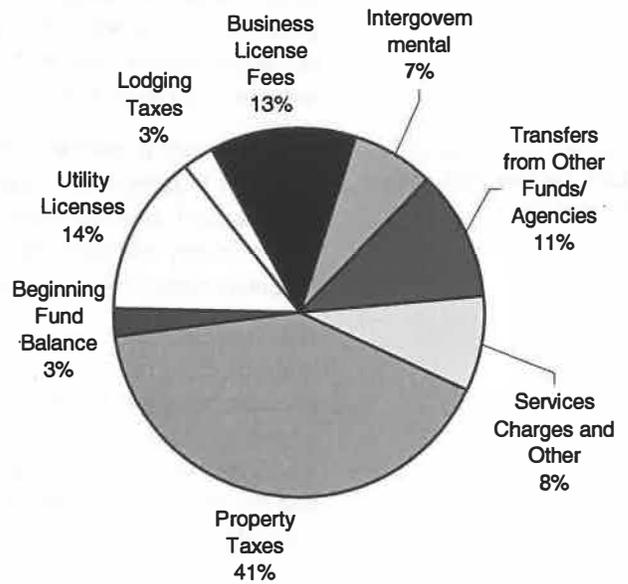
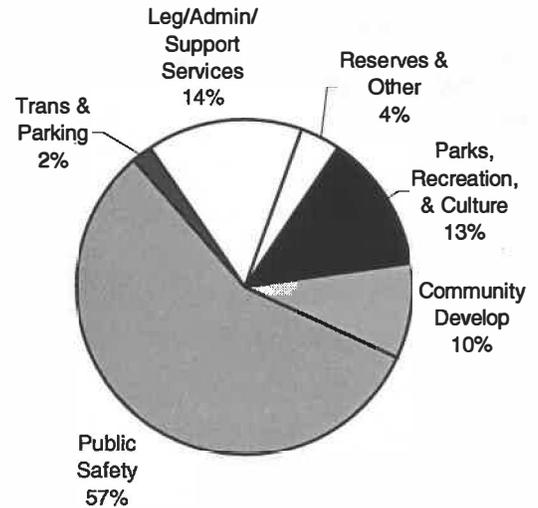


Figure 4: General Fund - Requirements by Service Area

Service Area	Budget	Percent
Leg/Admin/Support Services	\$ 54,806,658	14.99%
Community Development	\$ 33,726,112	9.22%
Parks, Recreation, & Culture	\$ 48,693,265	13.31%
Public Safety	\$ 207,269,542	56.68%
Transportation & Parking	\$ 7,050,659	1.93%
Reserves and Other	\$ 14,156,837	3.87%
Total General Fund Budget:	\$ 365,703,073	100.00%



**Budget Decisions
Summary**

This listing summarizes General Fund budget decisions in the Council's Adopted Budget.

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
ATTORNEY		
	City Hall Security	7,993
	External Materials & Services	(9,517)
	Facilities BOMA Adjustment	(824)
	Miscellaneous Services	(29,879)
	Office Support Specialist II	(16,609)
	Office/Operating Supplies	(51,738)
	OMF - HR Cost Pool Adjustment	1,817
	OMF BHR Training Reduction	(250)
	OMF Internal Services Cuts - GF Savings	(7,202)
	Sr. Deputy City Attorney	(16,739)
ATTORNEY TOTAL		\$ (122,948)
AUDITOR		
	Business Survey	35,000
	City Hall Security	8,089
	Facilities BOMA Adjustment	(905)
	OMF - HR Cost Pool Adjustment	2,291
	OMF BHR Training Reduction	(316)
	OMF Internal Services Cuts - GF Savings	(13,473)
	Program Reductions	(82,955)
	KPMG Audit	52,566
AUDITOR TOTAL		\$ 297
BHCD		
	OMF BHR Training Reduction	(370)
	Single Homeless Adults	(54,624)
	Youth Employment	(109,630)
BHCD TOTAL		\$ (164,624)
BOEC		
	Elimination of Training ECO Positions	(478,805)
BOEC TOTAL		\$ (478,805)
CABLE		
	Additional BFP Cuts	(3,079)
	Facilities BOMA Adjustment	11
	OMF BHR Training Reduction	(78)
	OMF Internal Services Cuts - GF Savings	(934)

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
	Portland Cable Access Contract Reduction	(100,000)
	Portland Cable Access Funded - 7% GF Cut	(114,960)
CABLE TOTAL		\$ (219,040)
FIRE		
	BOEC Liaisons	(206,000)
	Eliminate ALS on Trucks	(156,582)
	Eliminate EMS Training Specialist	(77,318)
	External Materials and Services Reduction in Preve	(50,000)
	Facilities BOMA Adjustment	826
	Interagency with F&PD&R for EAP Program	(16,125)
	Office Support Specialist II	(44,403)
	OMF BHR Training Reduction	(10,360)
	OMF Internal Services Cuts - GF Savings	(83,408)
	One Time Savings	(686,400)
	POEM to Overhead	(201,802)
	Professional Services Reduction in Prevention	(30,000)
	Public Assembly Position	(74,112)
	Reduce Communication Interagency	(30,000)
	Supportive Employment Program	(8,500)
	Truck 3 Inspectors	(148,224)
FIRE TOTAL		\$ (1,822,408)
COMMISSIONER OF PUBLIC UTILITIES		
	7.3% Reduction	(22,934)
	City Hall Security	1,705
	Facilities BOMA Adjustment	(314)
	OMF - HR Cost Pool Adjustment	(3,526)
	OMF BHR Training Reduction	(61)
	OMF Internal Services Cuts - GF Savings	(2,942)
COMMISSIONER TOTAL		\$ (28,072)
GOVERNMENT RELATIONS		
	City Hall Security	881
	Facilities BOMA Adjustment	(154)
	OMF - HR Cost Pool Adjustment	(1,763)
	OMF BHR Training Reduction	(28)
	OMF Internal Services Cuts - GF Savings	(2,299)

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
GOVERNMENT RELATIONS TOTAL		\$ (3,363)
COMMISSIONER OF PUBLIC SAFETY		
	City Hall Security	1,594
	Facilities BOMA Adjustment	(292)
	OMF - HR Cost Pool Adjustment	(3,086)
	OMF BHR Training Reduction	(53)
	OMF Internal Services Cuts - GF Savings	(2,893)
	Position Reduction	(20,861)
COMMISSIONER TOTAL		\$ (25,591)
HOUSTING INVESTMENT FUND		
	HIF Security Deposit Refund	(412,924)
	Housing Investment Fund 7% GF Cut	(35,269)
HOUSING INVESTMENT FUND TOTAL		\$ (448,193)
LICENSES		
	Facilities BOMA Adjustment	(1,091)
	OMF - HR Cost Pool Adjustment	1,540
	OMF BHR Training Reduction	(408)
	OMF Internal Services Cuts - GF Savings	(16,537)
LICENSES TOTAL		\$ (16,496)
MAYOR		
	Budget Reductions	(47,990)
	City Hall Security	3,630
	Facilities BOMA Adjustment	(710)
	OMF - HR Cost Pool Adjustment	(6,612)
	OMF BHR Training Reduction	(121)
	OMF Internal Services Cuts - GF Savings	(6,605)
MAYOR TOTAL		\$ (58,408)
OFFICE OF MANAGEMENT AND FINANCE		
	Contract Development Program Reductions	(65,723)
	Facilities BOMA Adjustment	1,573
	Financial Planning -- Economist I	28,475
	Financial Planning Reductions	(17,721)
	Grants Staff Reduction	(54,209)
	OMF - CSL Target Adjustment	(450,000)
	OMF - HR Cost Pool Adjustment	16,391

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
	OMF Administration M&S - to original resources	(82,447)
	OMF BHR Training Reduction	(977)
	OMF Internal Services Cuts - GF Savings	(8,968)
	Shared PIO Position	30,086
	PIO	30,086
OFFICE OF MANAGEMENT AND FINANCE TOTAL		\$ (573,434)
OFFICE OF NEIGHBORHOOD INVOLVEMENT		
	APP Contract Cut	(2,327)
	Bureau Administration Reduction	(23,371)
	Central Office Neighborhood Outreach Staff Reduction	(53,858)
	City Hall Security	3,864
	Community Residential Siting M&S Reduction	(2,246)
	Elders in Action Contract cut	(6,628)
	Facilities BOMA Adjustment	(5,932)
	MHRC Reduction	(18,843)
	Neighborhood Mediation Position Cut	(50,000)
	OMF BHR Training Reduction	(538)
	OMF Internal Services Cuts - GF Savings	(7,744)
OFFICE OF NEIGHBORHOOD INVOLVEMENT TOTAL		\$ (167,623)
OFFICE OF PLANNING AND DEVELOPMENT REVIEW		
	Increase Land Use Review Fees - Option 3	(250,000)
	Increased Housing Program Fines - Option 1	(370,000)
	OMF IA Savings - in lieu of Increased Housing Fees	(150,000)
	OPDR - GF 7% Cut	(244,916)
	OPDR GF Disc CSL	(354,000)
OPDR TOTAL		\$ (1,368,916)
OFFICE OF SUSTAINABLE DEVELOPMENT		
	7% CSL cut	(19,135)
	OMF BHR Training Reduction	(55)
	OMF Internal Services Cuts - GF Savings	(526)
OFFICE OF SUSTAINABLE DEVELOPMENT TOTAL		\$ (19,716)
PARKS		
	Aquatics Supervision Staff	(35,000)

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
	Bareroot Native Plant Production	(31,695)
	Buckman Pool	(78,500)
	Community Garden Fees	(4,546)
	Community Schools	(428,328)
	Community Schools - Summer	(60,000)
	Dutch Elm Tree Removal	(37,513)
	Facilities BOMA Adjustment	(4,489)
	Fall/Winter Greenhouse Production	(42,872)
	Irrigation Repair/Hauling Support	(61,063)
	Irrigation, Fence, Asphalt Maintenance	(61,739)
	Maintenance Supervision/Horticulture Care	(179,117)
	MLC Pool	(62,500)
	Mowing Sports Fields & Permitted Areas	(141,709)
	Office Support	(24,382)
	OMF BHR Training Reduction	(8,087)
	OMF Internal Services Cuts - GF Savings	(104,631)
	Park Irrigation	(24,997)
	Park Maintenance - Litter & Restrooms	(255,482)
	Park Planning	(57,941)
	Park Tree Maintenance	(111,551)
	PC Replacement - reduce by 50%	(50,000)
	Public Information & Recreation Marketing	(13,869)
	Recreation Pass-through Funds	(108,385)
	Roof, Window, Tile - Carpentry Maintenance	(206,482)
	Tennis Court Maintenance	(35,000)
	Trail Maintenance	(83,778)
	Westmoreland Casting Pond	(16,000)
	School Sports Fields Mowing	258,000
	Transfer O&M Setaside to Parks	272,225
	PARKS TOTAL	\$ (1,799,431)
	PLANNING	
	ESA 7% cut from Set Aside	(70,748)
	Facilities BOMA Adjustment	(4,714)
	General fund 7% reduction-Admin	(144,886)
	General fund 7% reduction-Tech Support	(76,814)
	Metro Annexation Activities	20,000
	OMF BHR Training Reduction	(792)

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
	OMF Internal Services Cuts - GF Savings	(31,084)
	River Renaissance	152,000
	Shared PIO	30,086
	Willamette Greenway Continuation	367,000
	COPPEEA Compensation Adjustment	139,056
	Program Manager III	110,275
PLANNING TOTAL		\$ 489,379
POLICE		
	Alarm Permit Fees	(570,000)
	Background/Fingerprint Charge	(3,300)
	False Alarm Service Fee	(289,000)
	Fleet Pool for Support Staff	(15,784)
	Justice Center - Hot Water	(1,000)
	OMF BHR Training Reduction	(18,458)
	OMF Internal Services Cuts - GF Savings	(647,383)
	PPDS Access Fees	(121,409)
	Tier 1 - Hold 17 Vacancies	(1,080,170)
	Tier 1 - Sworn Vacancies Held	(128,121)
	Tier 2 - Reduce 2 Positions	(105,051)
	Tier 3 - Reduce 2.5 Positions	(103,459)
	Training Fee Cost Recovery	(50,000)
	Women's Strength	45,886
POLICE TOTAL		\$ (3,087,249)
COMMISSIONER OF PUBLIC AFFAIRS		
	City Hall Security	1,707
	External M&S Reductions & Furlough	(22,967)
	Facilities BOMA Adjustment	(314)
	OMF - HR Cost Pool Adjustment	(3,526)
	OMF BHR Training Reduction	(61)
	OMF Internal Services Cuts - GF Savings	(2,918)
COMMISSIONER TOTAL		\$ (28,079)
SPECIAL APPROPRIATIONS		
	Block by Block Weatherization	(15,265)
	City Memberships & Dues - IPS	4,938
	City Memberships & Dues - PGA	24,690
	City Memberships and Dues - Cut Metro Annexation	(9,876)

Table 1: Summary of General Fund Budget Decisions

BUREAU		
	Budget Decision	Amount
	Civil Rights Enforcement	(1,080)
	Clean and Safe	(3,199)
	Downtown Services	(58,391)
	Early Childhood Development - Convert to One time funding	940,550
	Employee Transit Program	(10,495)
	Holiday Festival	(3,500)
	Leaders Roundtable	(369)
	Management Council	(233)
	MERC	8,400
	Oregon Historical Society - Whole	(36,407)
	PDC - Waterfront Dev Activities - Whole	(500,902)
	Pioneer Square Security Addition	55,000
	Public Safety Coordinating Council	(2,095)
	RACC - Arts Community Match	150,000
	RACC - Arts Stabilization Cut	(200,000)
	RACC - Ballet Cut	(200,000)
	RACC - Base Budget 1	(33,882)
	RACC - Base Budget 2	(116,972)
	RACC - Opera Cut	(200,000)
	Regional Drug Initiative - Whole	(29,699)
	Special Election	200,000
	Workforce Development	(7,939)
SPECIAL APPROPRIATIONS TOTAL		\$ (46,726)
COMMISSIONER OF PUBLIC WORKS		
	City Hall Security	1,585
	Facilities BOMA Adjustment	(291)
	OMF - HR Cost Pool Adjustment	(3,526)
	OMF BHR Training Reduction	(61)
	OMF Internal Services Cuts - GF Savings	(2,845)
	Position Reduction	(23,074)
COMMISSIONER TOTAL		\$ (28,212)
TRANSPORTATION		
	Street Light Operating Cut	(345,823)
TRANSPORTATION TOTAL		\$ (345,823)

**Summary of Decisions
by Strategic Issues**

This section summarizes the Council's budget decisions by strategic issue. Many of the decisions support more than one strategic issue which is consistent with the Mayor's and Council's approach to leveraging efforts and funding.

Deteriorating physical infrastructure

- ◆ The General Fund capital set aside is reduced from \$7.0 to \$4.8 million.
- ◆ The General Fund capital set aside includes funding for major maintenance of the 800 MHZ radio system. An additional \$1.0 million is transferred from the Public Safety Fund.
- ◆ Environmental Services and Water budgets include funds for addressing the deteriorating infrastructure.

Public Safety

- ◆ Minimize reductions in Police, Fire and Emergency Communications.
 - ◆ Reductions in Police and Fire are limited to 2.85%.
 - ◆ Emergency Communications is reduced 7%.
 - ◆ The Portland Office of Emergency Management continues at full funding.

Environmental mandates and River Renaissance

- ◆ The Adopted Budget allocates \$1.0 million in General Fund support for Endangered Species Act (ESA) listings and planning efforts along the Willamette River.
- ◆ Bureau of Environmental Services funds cleanup of Portland Harbor, the Combined Sewer Overflow project and other expenditures to address listings under the ESA.

Long term planning and development

- ◆ The Adopted Budget increases the Planning Bureau base budget to fund the following:
 - ◆ River Plan - \$367,000
 - ◆ River Renaissance - \$152,000
- ◆ Additional one-time funds are allocated to complete the St. John's/Lombard plan, North Macadam, and Northwest Transition Plan.
- ◆ The bureau intends to continue planning tied to the central city.

Home ownership and inadequate inventory of affordable housing

- ◆ In conjunction with the Portland Development Commission, the Adopted Budget funds \$63.9 million for housing and homeless facilities.

Economic downturn

- ◆ The Adopted Budget allocates \$1.0 million in General Fund support to leverage \$16.8 million in PDC funds for jobs and economic development programs.
- ◆ The Mayor will unveil a new overall economic development strategy early in FY 2002-03.

General Fund Revenues - Summary of Changes from the Previous Year

In FY 2002-03, General Fund resources decrease by \$1.99 million from the Revised Budget for FY 2001-02. The following section summarizes key revenue sources of the City's General Fund and compares them with FY 2001-02 Revised Budget figures. In the Financial Tables section, Table 5 - Total Revenues and Expenses by Fund provides extensive detail across five fiscal years.

Beginning Balance: The Beginning Balance drops \$5.0 million. This reduction is the result of overall lower resource growth reflecting the impacts of the recession and continued high expenditures rates within the General Fund bureaus. As resources have become more scarce, bureau spending patterns reflect a higher percentage of budgeted amounts than the historical patterns.

Property Taxes: Property taxes increase \$3.5 million, or 2.4%. This modest increase confirms the anticipated effects of the recession and the last property tax limitation measure. That measure, Measure 50, limits taxable assessed value growth to 3% per year, plus any new construction. Property taxes are now computed as a fixed rate upon the assessed value. The fixed rate is \$4.5770 per thousand dollars of assessed value.

Lodging Taxes: Lodging taxes, charged to guests staying in city hotels and motels, were severely impacted by the recession and the events of 9/11. This resource drops \$780,000, or 7.8%. The City previously reduced this revenue by \$220,000 in the FY 2001-02 Revised Budget. The delay in the expansion to the Oregon Convention Center is another factor contributing to the decline. Revenues are projected to increase at a higher rate upon completion of the Convention Center expansion in FY2002-03.

The recession and events of 9-11 have had a major impact on elastic resources such as Lodging Taxes and Business License Taxes.

Business License: Revenues from fees paid by businesses operating in Portland decrease by \$3.6 million, about 7.2% down to \$46.6 million. The City previously reduced this resource by an initial 5% in the Revised Budget for FY 2001-02. This decrease is directly related to the recession and is a very strong indicator that local and regional economic growth has suffered.

Utility License Fees: These fees are charged to private utilities and cable companies, as well as to the City's water and sewer utilities. Revenues for FY 2002-03 increase \$6.2 million totaling \$52 million.

Internal Revenues: Sources of internal revenues are transfers and interagency agreements for services provided by General Fund bureaus. Thus they are offset by expenditures in the other funds. These revenues increase \$1.5 million. Within this modest increase is a \$1 million transfer from the General Reserve Fund. Offsetting this increase is a drop of \$5.8 million in federal Grant revenues. Other decreases reflect reductions in central service costs charged to the operating bureaus

The Adopted Budget increases some fees for targeted populations.

Service Charges and Fees: Projected revenues increase a miniscule \$84,000 to \$12.4 million. Parks and recreation fees are expected to drop by \$325,000, while rents and reimbursement will increase by \$718,000. This budget also incorporates increases in towing release fees and false alarm fines.

Other Funds - Summary of Changes from the Previous Year

This section presents highlights of changes within the specific funds. More detailed information on any fund is available within the bureau sections of this budget document.

Transportation Operating

The operating fund increases \$8.1 million. This reflects a \$7.4 million increase in services paid for by other local jurisdictions. The amount of State collected funds transferred to the local jurisdictions continues to fluctuate. Transportation may be forced into further reductions if this revenue source continues to deteriorate.

The number of construction permits are projected lower for FY 2002-03.

Planning and Development Fund

The fund decreases \$1.0 million (3.0%). Permit fees are expected to be flat, reflecting the effects of the weak economy. Beginning Fund Balance decreases \$1.3 million. This resource is used to build balance or reserves in healthy years and is drawn down in slow years to ensure a workforce adequate to keep up with work paid for in advance by citizens.

Sewer Operating Fund

The operating budget increases by \$9.1 million, reflecting modest increases in labor costs, \$3.8 million reduction in consulting services and \$6.4 million increase in the transfer to the construction fund for capital projects. Total capital spending within the operating fund increases \$8.1 million.

Water Fund

This enterprise bureau's operating fund increases expenditures by \$17.6 million. This increase reflects \$15.4 million in capital expenditures, of which \$8.4 million addresses security concerns with the City's open reservoirs. Contingency is increased \$3.6 million over the FY 2001-02 Revised Budget.

Golf Fund

The Golf Fund decreases by \$4.9 million, reflecting the scheduled completion of facilities improvements at the Heron Lakes golf course including clubhouse remodeling and the development of public access trails.

Housing Investment Fund (HIF)

The Council's Adopted Budget includes a \$468,577 transfer in on going resources from the General Fund. Overall the fund increases \$5.4 million to a total of \$29.3 million. The increase reflects the structuring of a revolving line of credit to be used for affordable housing projects and the creation of a new housing program, City Lights, at \$6.6 million.

General Reserve

The General Reserve Fund is budgeted at \$37 million. This amount maintains the City commitment to set aside funds for fiscal emergencies. Half of the fund is targeted for emergencies such as natural disasters. The other half is for economic downturns such as a recession or other significant negative impacts to General Fund resources, such as tax limitation measures.

Construction projects continue in the fire stations.

Bureau of Fire, Rescue and Emergency Services (BFRES) Facilities GO Bond Construction

The fund increases \$11 million (total \$26.6 million) reflecting the continuation of scheduled capital construction and improvements for the Fire Bureau and Bureau of Emergency Communications. This is a multi-year capital improvement plan for seismic renovations and additional fire stations.

Health Insurance Fund

This fund drops from \$62.6 to \$48.3 million. A transfer from this fund is used to mitigate increased health costs that may otherwise need to be paid by the employee. The latest projections anticipate that this contingency will be depleted in FY 2004-05. The City is working with labor groups to control health care cost increases.

Facilities Services will continue major projects in the Public Safety service area.

Facilities Services

This internal service fund is reduced from \$45.3 to \$37.4 million. The net reduction recognizes the completion of projects in the Portland Building which houses most of the City bureaus, and the 1900 Building which houses the Planning Bureau and the Office of Planning and Development Review (soon to undergo a name change).

Vehicle Services

Vehicle services is reduced \$5.9 million, down from \$37.9 million. The reductions include a one-time adjustment (\$1.3 million) due to a change in the treatment of reserves and a \$3.0 million reduction in capital costs tied to vehicle purchases. The balance is targeted reductions in operations costs directed by the Mayor.

CAPITAL IMPROVEMENT PLAN

Overview

The FY 2002-03 Citywide CIP Adopted Budget totals \$202.0 million, not including the Portland Development Commission (PDC). This total is \$15.1 million or 8.1 percent more than the FY 2001-02 Adopted CIP Budget of \$187.0 million.

The General Fund capital set aside was reduced from \$7.0 million to \$4.0 million. The funds were reallocated to minimize operating reductions in the public safety bureaus.

Highlights

Public Safety

◆ 800 MHz System Major Maintenance	\$665,000
◆ Police Facilities	\$1,489,000
◆ Seismic Upgrades to Fire Stations	\$7,161,000

Parks, Recreation and Culture

◆ Columbia Pool HVAC & Light Replacement	\$345,000
◆ Springwater Corridor - Three Bridges	\$300,000

Public Utilities

◆ Combined Sewer Overflow Program	\$69,834,000
◆ Water System Security Improvements	\$8,440,000
◆ Water Distribution System Program	\$13,544,000

Community Development

◆ Local Improvement Districts	\$2,249,000
◆ Union Station	\$225,000

Transportation

◆ Centers and Main Streets	\$8,844,000
◆ Local Streets and Neighborhoods	\$13,439,000
◆ Parking Facilities	\$1,399,000

Legislative, Administrative, and Support Services

◆ Portland Building	\$1,522,000
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Project Costs

The increase from FY 2001-02 is primarily due to increases of \$24.8 million, or 22.6% in Public Utility projects and \$7.2 million or 22.4 percent in Transportation and Street Lighting projects. These increases are offset by reductions of \$5.2 million or 45.5 percent in Parks, Recreation and Culture projects and \$9.9 million or 77.2 percent in Legislative, Administrative, and Support Services projects. The former increases are primarily due to the Westside Sewer Tunnel and Pump Station project, Water security improvements, and local and main streets projects. The latter reductions reflect decreased resources for Parks and completion of the Integrated Regional Network Enterprise (IRNE) project.

THE BUDGET PROCESS

Local Budget Law Budgeting in Oregon is governed by Local Budget Law, Chapter 294 of the Oregon Revised Statutes. The law has two major objectives:

- ◆ Provide standard procedures for preparing, presenting, and administering local budgets;
- ◆ Ensure citizen involvement in the preparation of the budget.

Budgeting in Oregon is an effort shared by citizens, who receive services funded through the budget, and elected or appointed officials responsible for the provision of the services. Citizens involved in the budget process work to ensure the services they require and want are adequately funded. City officials are responsible for the budget reflecting public interest and being structurally correct.

The Tax Supervising and Conservation Commission, a five-member citizen board appointed by the Governor, reviews the budgets of all governmental jurisdictions in Multnomah County. The Commission, together with the State Department of Revenue, is responsible for ensuring budgets comply with Local Budget Law.

Citizen Involvement Process

Your City, Your Choice

The Portland City Council has significantly expanded opportunities for public input. This process referred to as 'Your City, Your Choice' is a community outreach program directed toward identifying needs to be addressed within the budget. The major elements of this effort can consist of any or all of the following:

- ◆ Scientific telephone survey;
- ◆ Informal, mass mailing survey of citizens;
- ◆ Several community forums;
- ◆ Large focus group discussion;
- ◆ Web site survey and question and answer site.

The scientific telephone survey is constructed to develop base data on the needs, desires, and priorities of citizens for services. Many of the questions are the same from year to year. This survey allows the City to track changes in these priorities from the initial 1994 effort through the latest iteration. The survey also includes a section which is changed from year to year in an effort to elicit responses to specific issues that the citizens or Council may be concerned about during a particular budget cycle.

The informal mass mailing survey (not used in developing the FY 2002-03 budget) is distributed as an insert in the largest circulation local newspaper (over 400,000 households). It contains the same set of questions as the scientific survey. The purpose is to involve as many citizens as possible in the process. While the results are not scientific, they add another check on the citizens' priorities. This survey adds to the information that the Mayor and Commissioners use in constructing the budget.

The community forums are designed to engage citizens in small group discussions with Council members and City managers. Citizens sit with Council members and managers to discuss their priorities and ideas for city government.

A forced choice survey is administered during these sessions to parallel the types of choices Council must make during budget deliberations. This small survey is constructed to parallel the scientific and informal surveys to further validate data developed on citizen needs, desires, and priorities.

Citizens are invited to sit with elected officials and bureau managers to discuss their interests.

Evaluations have consistently indicated that citizens felt the forums were an excellent opportunity for face to face interaction with City Council members and bureau management.

In addition to the 'Your City, Your Choice' public outreach process, other options exist for the public to actively participate in the budget process. The City has a nationally recognized commitment to active participation in its budgetary process. Portland uses the following systems to ensure this high level of citizen involvement:

Budget Web Site

Citizens can participate over the Internet.

Portland has the capability for citizens to participate in the budget process through the City's web site. From the City's home page, CI . PORTLAND . OR . US , citizens may access a budget site (http://www.ci.portland.or.us/finance/community_budget/ofa.htm.) that contains an on-line version of the survey,

The website also contains links to the budget documents and other financial reports.

During the Proposed and Approved stages of the budget development process, citizens are encouraged to enter their questions, thoughts or suggestions about the budget. The input is compiled and communicated to the elected officials. The input is also reviewed by the Bureau of Financial Planning with feedback to participants provided as appropriate.

Budget Advisory Committees (BACs)

The BACs are made up of citizens appointed by the Commissioners-in-Charge. These committees monitor bureau budgets and operations and identify issues for Council consideration. Initiated in 1974 with five BACs, today Portland continues to be served by BACs in most of the major City bureaus. Additionally, a Budget Advisory Coordinating Committee (BACC) reviews and advises the Council on policy and budget matters and serves as the steering committee for the BAC process. Each of the committees is provided with time during Council budget hearings to present their reports.

Portland Utilities Review Board (PURB)

The PURB is an appointed body of 15 interested citizens who provide independent and representative customer review of water, sewer, and solid waste financial plans, budgets, and rates. The PURB operates in an advisory capacity to the City Council. Council expects the PURB to provide common ground between rate makers and rate payers through analysis of financial plans and budgets. As an advisory board, the PURB has the opportunity to review the City's utility operations. The board and its committees meet monthly to ensure a comprehensive understanding and assessment of the workings of the City's utilities.

Direct Public Testimony

In addition to participating in the budget advisory committees, the PURB and 'Your City, Your Choice' community budget forums described above, citizens have several opportunities to personally testify on bureau budget requests:

- ◆ Annual Budget Hearings - The City Council, sitting as the Budget Committee, holds several public hearings before the budget is approved. The public may testify on any topic during these hearings.
- ◆ Tax Supervising and Conservation Commission Hearing (TSCC) - The TSCC holds a public hearing on the City's Approved budget. Public testimony is taken during those hearings.
- ◆ Adopted Budget Hearing - Testimony is taken at the City Council session for the final adoption of the budget. This typically occurs in mid- to late June.

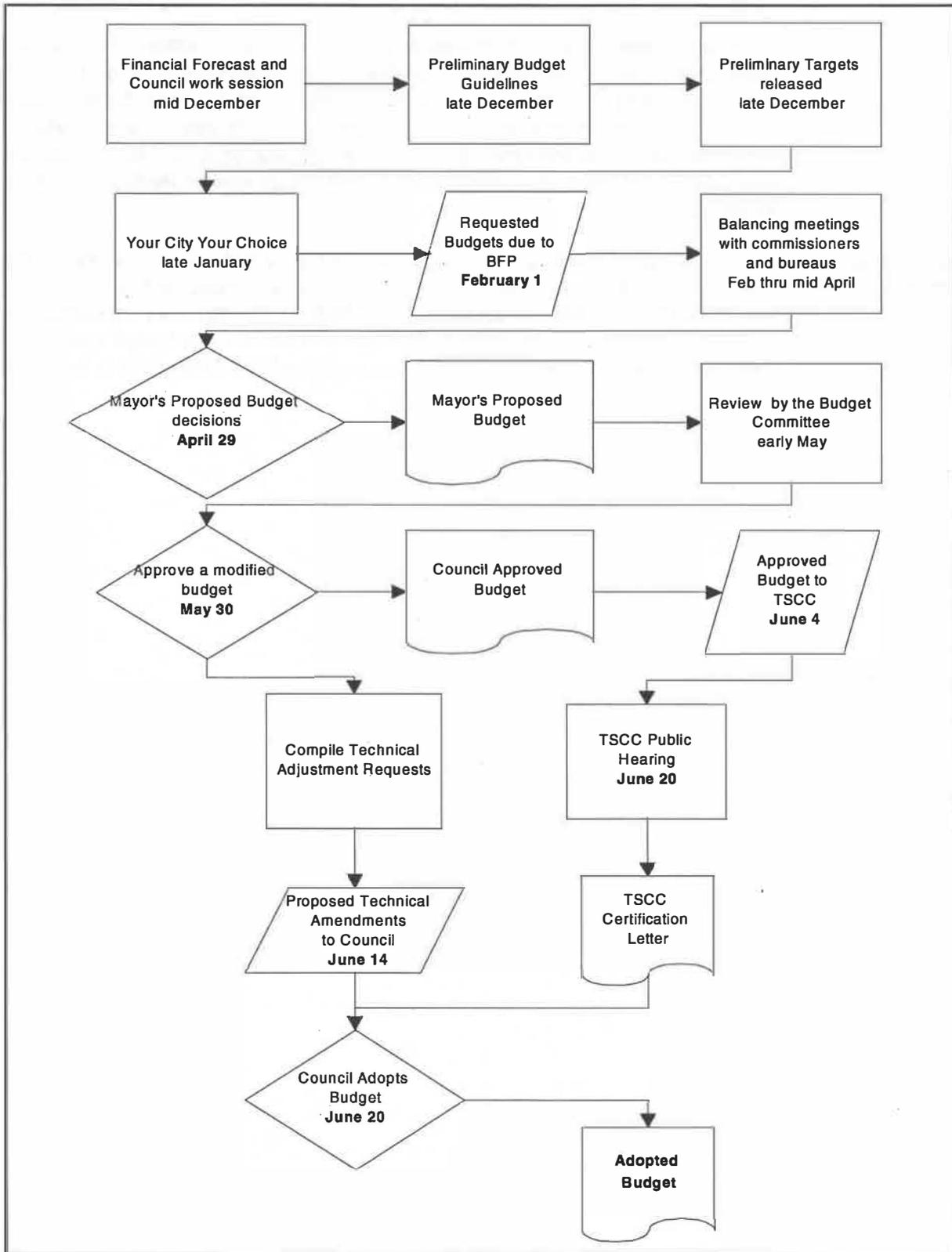
Citizens may also contact the Mayor and Commissioners directly to provide input to the budget.

Each year, as part of the Council's budget planning session, the Office of the City Auditor issues a report identifying workload and performance trends for each of the City's major service areas. Part of the report, entitled Service Efforts and Accomplishments (available at <http://www.ci.portland.or.us/auditor/audser/htm/summary280.htm>), is a nationally-recognized public opinion survey for the City overall and for each of the covered service areas. This report represents another form of public input used by the Council during the budget process.

**The Budget Process
Time Line and Format**

The annual budget schedule is generally published in the fall of each year. Figure 5 on page 46 depicts the basic budget process and its general timeline. In 1994 the City transitioned to a two-year budget cycle. Since 2000 the City has dealt with continuing financial uncertainty and has temporarily abandoned the two-year budget cycle. The intent is to return to the two-year cycle once the economy and City finances have stabilized

Figure 5: FY 2002-03 Budget Process.



Financial Overview

CITY FINANCIAL PLANNING PROCESS

Background

As the first step in the budget process, each major bureau prepares an updated financial plan. In addition to General Fund bureaus, Transportation, Environmental Services, the Office of Planning and Development Review, and Water are among those that prepare financial plans.

These plans forecast revenue and expenditure requirements by fund over a minimum of five years, and identify long-term service and financial issues requiring attention during the budget process. The plans aid Council by placing decisions in a long range financial context. The purpose is to develop budgets that are balanced for the coming year and subsequent out-years of the five-year financial forecast period. Council reviews these plans during work sessions early in the budget process. At that time, bureau managers are given direction on identified issues that provides guidance for preparing and finalizing budgets.

A summary of these financial plans is included in the following section. Due to its significance to the City's annual budget, the General Fund five-year financial plan is described in greater detail.

GENERAL FUND FINANCIAL FORECAST

Overview

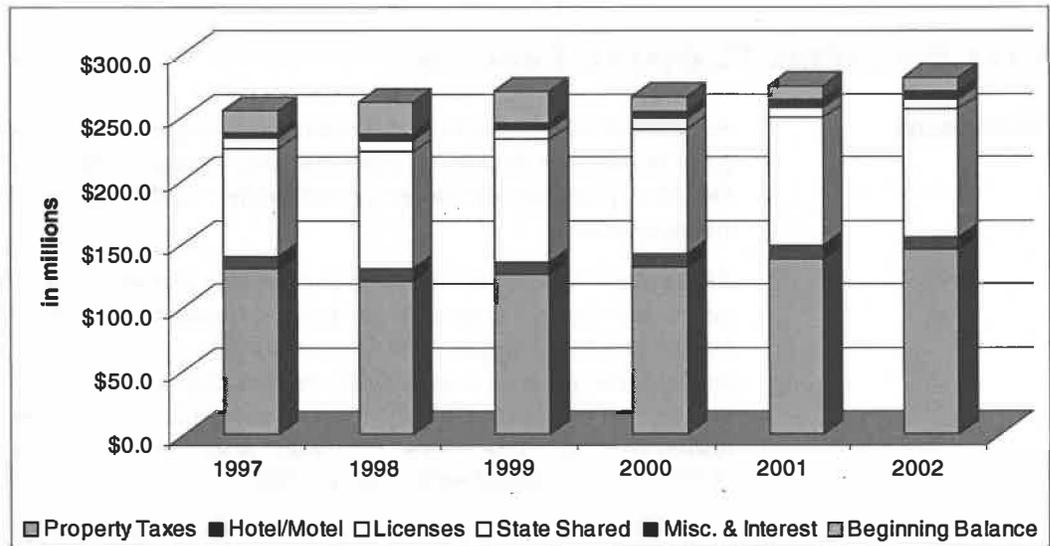
Financial Planning regularly generates five-year estimates of General Fund discretionary resources and requirements for Council. Discretionary resources are those revenues plus beginning balance that are budgeted by Council without restriction, in accordance with Council priorities. Discretionary resources include property taxes, utility license fees, business license, lodging tax revenues, state shared (cigarette and liquor) revenues, some interest income, some court fines, some cash transfers into the General Fund, and small amounts of other miscellaneous revenues. Discretionary resources exclude grants, contracts, service reimbursements, fees, and other revenues dedicated for a specific purpose.

The Council's financial planning process starts with the preparation of a five-year revenue forecast. The Office of Management and Finance issues a five-year revenue forecast document at the conclusion of this process.

The five-year revenue forecast is used to develop the five-year financial forecast. The financial forecast compares estimated annual resources (revenue plus beginning fund balance) with projected costs of maintaining current General Fund service levels. For the FY 2002-03 budget, the initial financial forecast was published in December 2001, formally reviewed by Council, and adopted by resolution in January 2002.

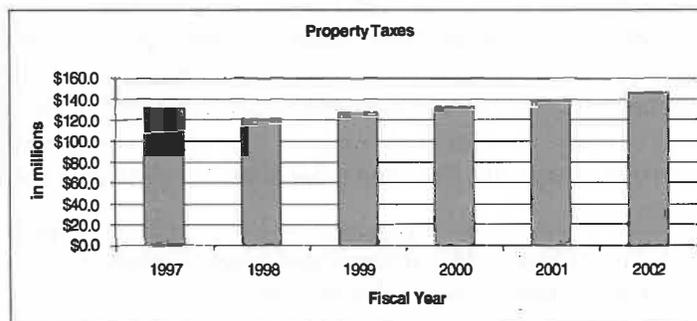
The discretionary beginning balance estimate, a key resource of the General Fund, is updated at the conclusion of each accounting period and published in the Financial Outlook. This report is electronically distributed within the City and to numerous outside recipients. The Outlook provides current information on the General Fund's financial condition with the updated ending fund balance estimate incorporated into the financial forecast of General Fund resources.

Figure 6: Historical Resources - Summary Chart



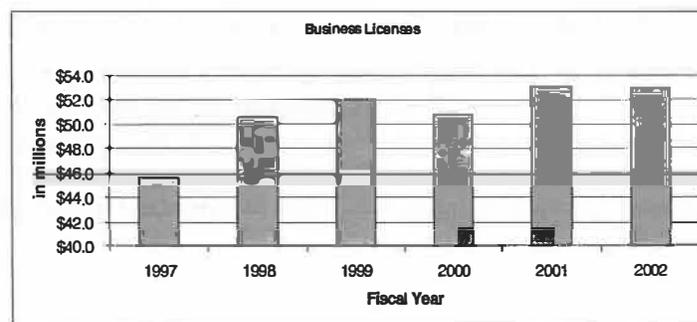
As indicated in the chart above, the City's General Fund shows modest but steady revenue growth over the last several years, due in large measure to a growing regional economy. General Fund revenues increased at a compound annual growth rate of about 2.0% between FY 1996-97 and estimated year-end FY 2001-02. With the exception of FY 1997-98 (the Measure 50 year), this represents slower revenue growth than the early 1990's.

The General Fund property tax rate is fixed.



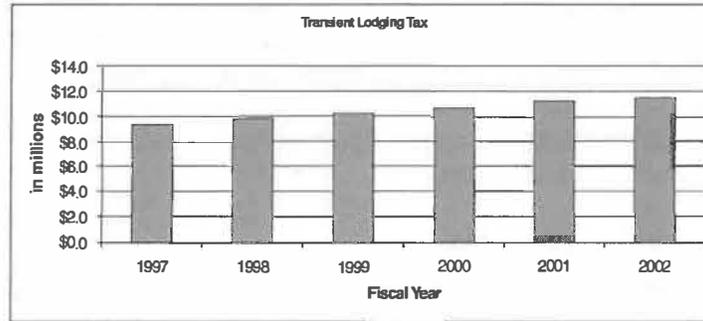
Property Taxes: Revenue growth slowed with the passage of Measure 50 property tax limitation. Property taxes now appear to be growing between 4% and 5% annually. Under Measure 50, assessed value growth on existing properties is limited to 3% per year plus new

construction. The General Fund's tax rate is permanently fixed at \$4.5770 per \$1,000 of Measure 50 assessed value.

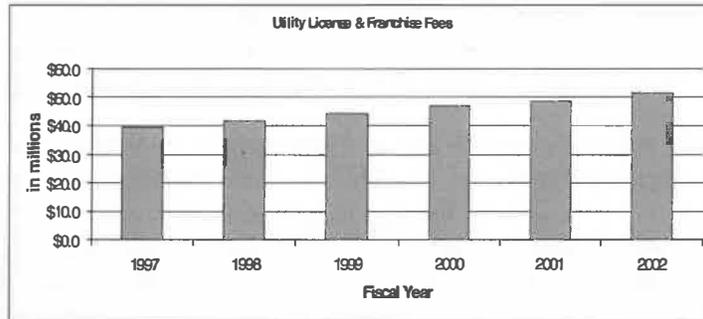


Business License:

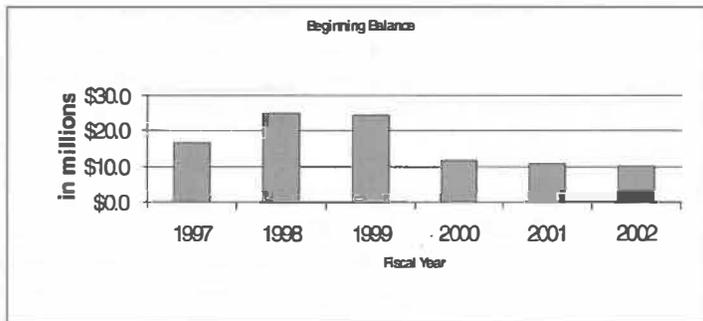
Revenues have been flat to declining and have grown very little over the past three fiscal years. Merger and acquisition activity that resulted in the loss of headquarters, along with a slower regional economy, continue to stifle revenue growth.



Transient Lodging (Hotel/Motel) Tax: Revenues have grown by about 6% over the period shown, but revenue growth for the past two years has been much slower, between 3% and 4%.



Utility License and Franchise Fees: Revenue growth has been strong over the past two years. Northwest Natural, for example, continues to experience strong customer growth and implemented a 20% general revenue and rate increase during the last half of calendar year 2000.



Beginning Balance: The balance drops \$399,200, the result of slower overall revenue growth and higher expenditures rates within General Fund bureaus. As resources have become more scarce, bureau spending historically reflects a higher percentage of budgets.

At the end of FY 2001-02, consistent with Council policy and Council's previous five-year financial plans, the General Reserve Fund is expected to total about \$34 million and remain fully funded at the required 10% of revenues (net of borrowing proceeds). Thus, the General Fund goes into FY 2002-03 with the General Reserve at or slightly above the required 10% level.

Some interest income on fund balance and excess reserves above the 10% level will fund a small transfer into the General Fund. This transfer will help offset one-time expenditures scheduled in the Adopted Budget for FY 2002-03.

Key Forecast Assumptions

A Recession Environment

The onset of a recession during the Spring of 2001, followed by the shock of the events of September 11th, put Oregon's economy into a tailspin. Both the state and regional economy experienced rapid declines in employment and rising unemployment rates. A faltering regional economy and recession quickly translated into declining business license and transient lodging revenues. Third quarter (October, November, and December) transient lodging revenues were a full 20% below the same period during calendar 2000. FY 2002-03 business license revenues are expected to total between \$45 and \$46 million, down about

12% over year-end FY 2001-02. In addition, the low interest rate environment created by the Federal Reserve cut General Fund interest income in half. FY 2001-02 interest income is expected to total about \$1.2 million compared with well over \$2 million last year. Thus, the December revenue and financial forecasts, as well as updated forecasts for the Mayor's Proposed Budget and Council's Adopted Budget, model in the expected effects of recession on General Fund revenues.

Transient Lodging Taxes

The transient lodging revenue forecast calls for FY 2002-03 revenues of about \$10.5 million versus an expected FY 2001-02 year-end of about \$10.4 million. Revenues peaked at \$11.1 million in FY 2000-01. Revenues are not expected to test this cyclical peak until FY 2004-05 when an expanded Oregon Convention Center is expected to be fully operational. FY 2001-02 budgeted revenues are \$11.2 million. Budget to budget growth is negative.

A weak regional economy and an oversupply of hotel rooms have combined to depress occupancy and room rates. In addition, unlike previous years, there have been no special events over the course of the year to help push up revenues. Revenues are forecast to grow about 4.4% on average over the life of the forecast with most of the growth occurring in the latter years of the forecast, after expansion of the Oregon Convention Center is completed.

Utility License and Franchise Fee

Utility license fees are forecast at \$51.6 million for FY 2002-03 versus an expected FY 2001-02 year-end of about \$54 million. This revenue category is composed of energy franchise and license fees, telecommunications and cable franchise and license fees, as well as license fees received from the City's water and sewer utilities. The specifics of these forecasts are as follows:

- ◆ Northwest Natural franchise fees are forecast at \$7.2 million FY 2002-03 versus a budget of \$7.4 million for FY 2001-02. This forecast reflects an expected 10% rate decrease on or about November 1, 2002 that will pass lower natural gas costs on to customers. In June of 2002 Northwest Natural issued refunds or credits against June gas bills in order to share lower commodity costs with customers. This action will reduce first quarter franchise fees due August 15th. The forecast thus assumes that year-to-year revenues will be flat under the weight of lower rates and refunds.
- ◆ PGE franchise fees are forecast at \$14.7 million versus an FY 2001-02 budget of \$14.3 million and expected year-end revenues of \$15.5 million. PGE, like Northwest Natural, is expected to implement a 10% revenue and rate decrease in October or November of 2002. About half of the expected rate decrease is incorporated into the current forecast. A 10% rate decrease implemented in October or November will be about half way through FY 2002-03. Thus, this forecast has probably "priced-in" most of the expected reductions.
- ◆ Water and sewer franchise fees are forecast by operating bureau staff to grow by about 6.4% and 7.4% respectively. These forecasts are incorporated into the FY 2002-03 General Fund budget and financial forecast.

- ◆ Telecommunications and cable franchise and license fees, excluding Qwest license fees, are expected to be flat to declining reflecting the steep downturn in this sector as well as several high profile bankruptcies. Qwest franchise fees are currently forecast as a flat \$5 million per year. Qwest withheld the first three FY 2001-02 franchise fee payments from Portland as well as all other Oregon cities citing a Federal Appeals Court decision in Washington State. The City took Qwest to court and prevailed in the Federal District Court (Oregon). Qwest has since agreed to pay back franchise fees with interest and resume normal quarterly payments.

During this period, however, it appears that revenues have declined significantly for unexplained reasons. Actual FY 2000-01 revenues totaled about \$6 million. FY 2001-02 revenues, net of interest, total about \$5 million. It is unclear whether this decline is due to the effects of the recession, structural changes in the telecom sector, or some other cause. Qwest franchise fee revenues are at risk for this five-year forecast, as Qwest is in the process of appealing the Federal District Court's decision.

The energy-related franchise fee forecasts at this point are consistent with the expected effects of Oregon's energy deregulation scheme. Deregulation, however, remains a question. It may take another 24 to 36 months before the full effect of energy deregulation on energy-related franchise fee revenues becomes clear.

Overall, utility license and franchise fee revenues are forecast to grow by about 3% annually over the life of the forecast.

Property Taxes

Property taxes are expected to grow by about 3.7% annually over the life of the forecast. This compares to an annual growth rate averaging between 4-5% in previous forecasts. Revenue growth is lower in this forecast in part because of the expected effects of a recession on new construction values added to the tax rolls. In addition, during FY 2001-02, the Oregon Supreme Court handed down what is now generally referred to as the Shilo Inn decision.

The Shilo Inn decision ruled that Oregon's current method of collecting urban renewal related property tax revenues was unconstitutional and violated a key provision of Measure 5, which requires that local government tax collections on a property not exceed \$10 per \$1,000 of real market value. In response to this decision, the Department of Revenue (DOR) has undertaken a rule-making process that will implement a revised method for collecting urban renewal related property tax-related revenues beginning July 1, 2002. One key effect of this new tax collection method will be increased compression on local government property tax levies.

During FY 2001-02, the General Fund's tax base levy lost about 1.7% of the levy to compression. Under DOR's proposed new method, the General Fund's tax base is expected to experience about a 2.8% compression loss. This 1% increase in compression reduced the property tax revenue forecast by about \$1.4 million per year and reduced the annual growth rate from about 4.7% to an expected 3.7%.

Summary

For the present, the regional economy remains mired in recession. The Portland area's unemployment rate at about 7.6% is one of the highest in the nation. The national economy appears to have started to recover from recession, but the local economy shows few signs of recovery. This environment translated into an FY 2002-03 resource forecast of about \$281.5 million which is about 0.7% below FY 2001-02 budget. Recovery is expected to take hold during calendar 2003 while the regional economy should start to strengthen late in FY 2002-03 and on into FY 2003-04.

FIVE-YEAR GENERAL FUND FINANCIAL PLAN

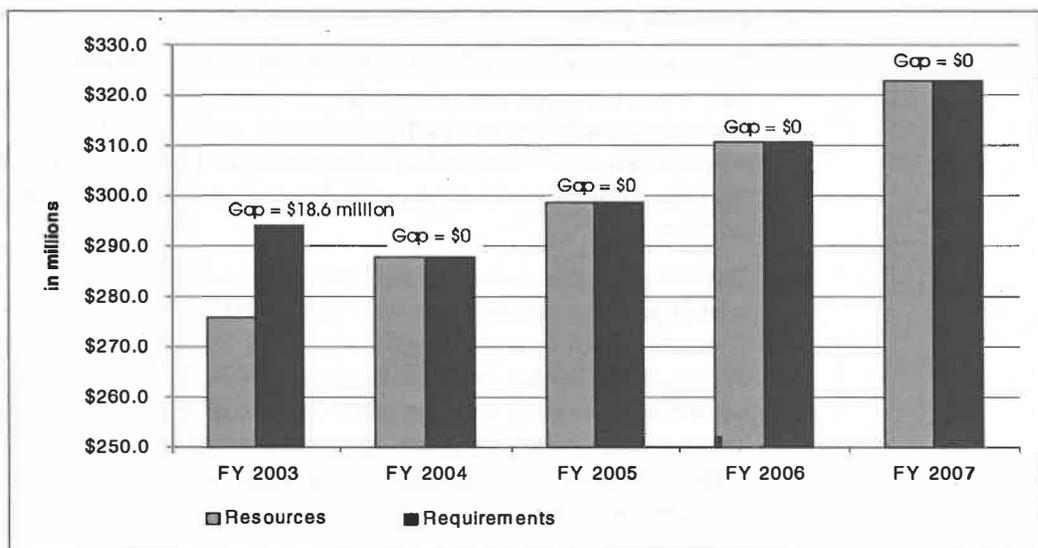
The Council takes a five-year approach to developing its budgets, so each budget itself represents the first year of Council's five-year financial plan. This ensures the long-range impacts of major decisions are considered in developing the overall City budget.

The December financial forecast indicated that Council was faced with a projected resource stream that could not support General Fund current service levels.

The December financial forecast showed that about \$14.4 million of ongoing current service level (CSL) reductions would be needed to balance General Fund over the five-year forecast period. A revised forecast, done for the Mayor's Proposed Budget, identified a larger gap of about \$18.6 million. This higher gap was due to the expected impact of the Shilo Inn decision and further deterioration in business license and franchise (principally telecommunications) fee revenues. Both forecasts assumed no Qwest franchise fees, because of the uncertainty caused by litigation. This has since been resolved and \$5 million of ongoing Qwest franchise fees are now incorporated into the forecast for Council's Adopted Budget. This brought the required current service level (CSL) reduction amount back down to about \$14 million.

The following figure presents the resources versus requirements gap at the time of the original forecast. This is the basis upon which Council made its budgetary decisions.

Figure 7: Original Forecast Gap



Council's Adopted Budget and five-year financial plan indicate that \$13.0 million of ongoing CSL reductions, along with about \$1.0 million in increased fee revenues, brought the General Fund into balance. The Adopted Budget closes a \$14.0 million gap and balances the General Fund over the five-year forecast period. The financial plan calls for an excess reserve draw of about \$1.46 million during FY 2002-03. The General Reserve Fund is not forecast to drop below the required 10% level during the five-year planning horizon.

The following table shows that recurring General Fund resources are closely aligned with forecast current service level costs throughout the five-year plan. Two excess reserve draws are required to offset small shortfalls in forecast resources relative to expected costs. As noted, the General Reserve Fund will remain fully funded at the 10% level throughout the five-year financial plan period.

Adopted Five-Year Financial Plan

ITEM	Adopted FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
Total Resources.....	\$280,102,879	\$292,720,323	\$303,489,203	\$315,606,646	\$328,002,698
Transfer In From					
General Reserve Fund.....	\$1,463,775	\$0	\$0	\$0	\$286,366
Requirements					
Bureaus & Programs.....	\$241,379,303	\$252,958,991	\$263,300,308	\$272,762,001	\$283,470,059
Capital Set-Aside.....	\$2,582,950	\$3,199,269	\$3,499,162	\$3,842,386	\$5,042,968
One-Time Projects.....	\$1,197,176	\$0	\$0	\$0	\$1,125,000
Pension Bonds.....	\$3,843,602	\$5,387,449	\$6,111,796	\$6,846,831	\$7,825,393
Council Set-Asides	\$32,563,623	\$31,174,614	\$30,577,937	\$32,155,428	\$30,539,278
Total Requirements:	\$281,566,654	\$292,720,323	\$303,469,204	\$315,606,646	\$326,002,698
Difference:	\$0	\$0	(\$0)	(\$0)	\$0
Reserve Fund as a Percent of Net Revenues	10.0%	10.1%	10.2%	10.7%	10.7%

Uncertainties

In fashioning the FY 2002-03 Adopted Budget and five-year financial plan, increases in recurring costs have been limited to expected inflation. For the most part, CSL reductions have occurred programmatically in almost all General Fund bureaus. This approach will provide the Council with more flexibility in meeting future financial uncertainties that include:

- ◆ Both Northwest Natural and PGE are discussing large rate and revenue reductions with the Oregon Public Utilities Commission. The precise details of these expected reductions are still under discussion, but the expected impact on revenues is a decrease in the \$1.5 to \$2 million range. The forecast for PGE has priced in the bulk of the expected impact on PGE franchise fee revenues. The forecast for Northwest Natural has also been revised to reflect the expected rate decrease. In addition, the ongoing impact of electric energy deregulation continues to represent an uncertainty.
- ◆ The Shilo Inn effect on General Fund property tax revenues is not precisely known. The revenue forecast at present relies on modeling done by Multnomah County Assessment and Taxation staff in support of the Department of Revenue's rule-making process for urban-renewal related property tax collections. The exact impacts of the restructuring of property tax collections will only become apparent with actual October property tax levy certifications.
- ◆ The national economy appears to be recovering from recession. Both the state and regional economies show little evidence of recovery although unemployment rates have started to back off from higher levels registered early in calendar 2002. Most pundits are forecasting little or no growth for the near term locally (the next 6 to 12 months) with stronger growth expected to reassert itself towards the end of calendar 2002 or early 2003.

The economic news is mixed. It is possible both the national and regional economies might slip back into recession. If this occurs, General Fund revenue growth will slow further. This may require Council to take further actions that reduce General Fund current service level requirements and amend the current five-year financial plan and forecast.

Forecast Risk

The principal risk to the Council's Adopted Budget and financial plan is recession. During the recession of the 1980's business license revenues fell 20%. This amounted to about a \$2 million decline on a revenue base of \$10 million. Business license revenues are running at a \$45 million annual rate as of late Spring 2002. A deeper and lengthier recession similar to the 1980's could easily reduce business license revenues by another \$5 million per year for an undetermined period of time. This would represent another \$5 million plus ongoing decline in General Fund revenues making it difficult for Council to continue to fund current service levels, even with a judicious use of counter-cyclical reserves.

FINANCIAL OUTLOOK - OTHER FUNDS

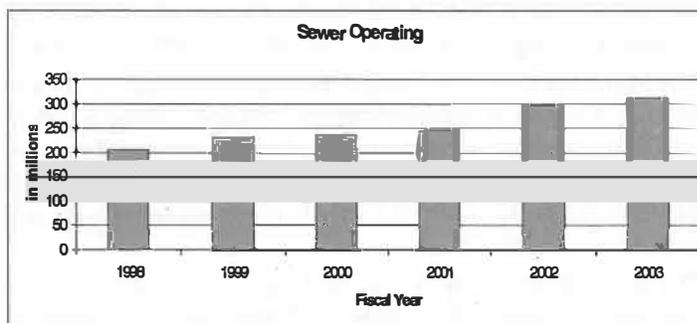
Financial plans provide a multi-year framework within which revenues, expenditures, and capital financing options are planned.

Like the General Fund, five-year financial plans are prepared for each of the City's major service bureaus. These financial plans provide a multi-year framework within which revenues, expenditures, and capital financing options are planned. This multi-year process allows the City to test the potential impact of policy, operational and system changes, and to avoid subjecting customers to wide or irregular swings in rates and fees.

This budget is based upon bureaus' financial plans developed using information available through December 2001. The plans were reviewed and adjustments were incorporated into the budget. The following is a brief overview of the updated financial outlook for these non-General funds. For each bureau or fund the chart shows total fund expenditures.

Bureau of Environmental Services (BES)

The FY 2002-03 budget results in an increase of 7.9% for the average single family customer.



BES' five-year financial plan forecasts an increase for the average single family bill of 8% in FY 2002-03. Expenditure reductions of over \$280,000 were recommended by the Office of Management and Finance that resulted in a rate increase of 7.9%.

Capital costs remain the primary driver behind forecast rate increases.

The BES budget contains operating program expenditures of approximately \$2.1 million (2.8% higher than the FY 2001-02 Revised Budget) primarily because of an additional \$1.1 million to support the Portland Harbor Sediment program. These funds will be used to support remedial investigation and analysis of contamination in the harbor, in coordination with other public and private property owners near the Superfund site.

Personnel expenditures in support of 456 FTEs increase about \$2.3 million due to cost of living adjustments, mid-year additions of three positions for Portland Harbor, and additional resources for overtime within the Capital Improvement Program.

External Materials and Services decrease by nearly \$5 million as a result of Combined Sewer Overflow (CSO) projects moving from the design phase to the construction phase for the Westside CSO Tunnel. These decreases are accompanied by cost increases of \$8.4 million in capital outlays, reflecting the tunnel construction.

Internal Materials and Services increase by \$2.1 million over the revised budget. Over \$1 million of the increase is due to additional payments to the Water Bureau for the Customer Information Service (CIS), the combined water and sewer billing system. An increase of over \$900,000 reflects services from the Bureau of Maintenance for maintenance of the drainage and sanitary systems.

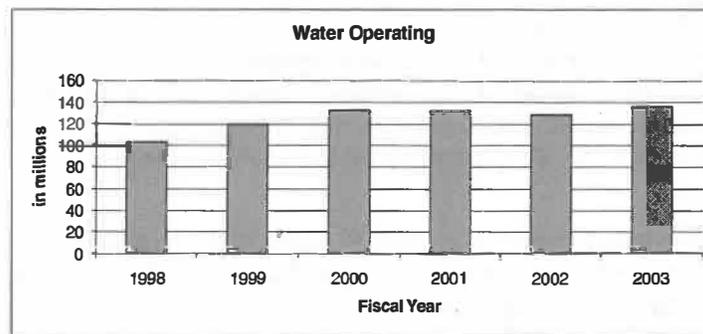
Capital costs continue to be the prime driver behind the level of forecast rate increases. The largest category of capital improvement costs will be the CSO program, followed by maintenance and reliability projects, and sewage treatment systems.

The operating programs continue to emphasize water quality through efforts at pollution prevention, water quality analytical services, drainage system maintenance, watershed improvement programs, and the capital funding mix.

Bureau of Water Works

The average water bill for single family residential retail customers will increase 8.8%.

The preliminary financial plan for Water projected an average retail rate increase of 13.1% in FY 2002-03. Modifications during the budget preparation process resulted in a budgeted average retail rate increase of 8.8% in FY 2002-03. Reasons for the rate decrease include ASR reductions of \$923,596, a slightly lower inflation factor, and CIP budget reductions.



The operating budget of \$47.7 million is a reduction of \$5.1 million from the FY 2001-02 revised budget of \$52.8 million.

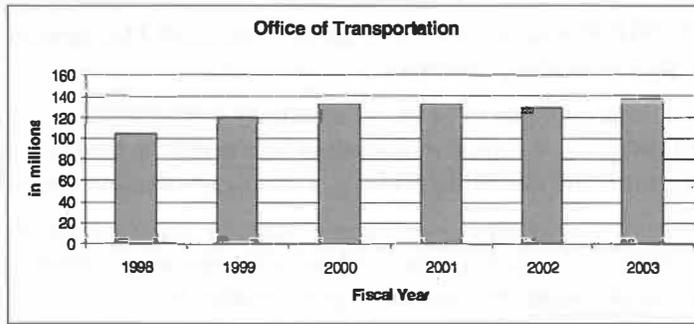
Major reasons for this net decrease are the reduction of 27 full-time positions and the elimination of \$2.4 million of funding for 10 full-time positions. Total

positions have been reduced from 528 to 511. Within the overall reduction were increases of \$850,000 for electricity, \$900,000 for cost of living adjustments, and \$700,000 (including seven positions) for the new security program.

The CIP budget of \$41.4 million reflects an increase of \$15.4 million from the FY 2001-02 Revised Budget. This is primarily a result of transferring about \$5.5 million of base capital (services, hydrants, meters, and equipment) from the operating budget to the CIP budget and \$10.9 million for two new service level packages. One package, costing \$8.4 million, is to provide heightened security at over 80 of the bureau's critical facilities and sites. This package includes three new positions. The second package, utility relocation for \$2.5 million, will provide funding for pipe and other facility relocations required to complete City public works projects.

Office of Transportation

Transportation continues to confront an increasing gap between costs to maintain service levels and revenues.



Transportation's five-year financial plan continues to exhibit the growing gap between costs to maintain current service levels and anticipated general transportation revenues (GTR). It indicates a deficit of \$6.4 million in FY 2002-03, increasing to \$11.5 million by FY 2006-07. The

projected gap is primarily the result of state highway fund receipts failing to keep pace with inflation, and increasing operation and maintenance costs.

To address this gap, Transportation is reducing service levels. Services that will be reduced include street and signal preservation (\$1.6 million), street area landscaping and other livability services (\$.9 million), planning and operations (\$1.5 million), administration (\$.7 million), and other cuts (\$.6 million).

The FY 2002-03 Adopted Budget for Transportation is \$117.8 million. This budget is 6% higher than the FY 2001-02 Revised Budget, primarily from non-discretionary sources. The capital budget increased \$7.5 million, while the operating budget decreased \$.4 million. GTR decreased \$0.8 million (1%) in nominal dollars, while inflation drove up costs an average of 4.5%. The budget contains 693 FTE, nine fewer than the current year's revised budget.

Transportation continues to work to maintain the livability of the Portland community, provide core maintenance requirements, and respond to demands for transportation improvements in a significantly underfunded environment. New and stable resources are required to maintain, operate, and improve the community's transportation systems.

CITY DEBT MANAGEMENT

The City of Portland issues a variety of debt to raise capital for construction projects, for the acquisition of equipment and facilities, and to refinance existing debt. Most of the City's debt is rated by one or more national rating agencies, including Moody's Investors Service and Standard and Poor's Corporation. Bond ratings are based upon an independent analysis by financial market professionals and indicate the confidence that an investor can have in the security of their investment in the City's bonds and other debt obligations. "Aaa" is the highest possible rating, and is based on a thorough analysis of four basic factors: economic condition, debt load, financial condition, and overall management of the City. Since 1973 the City's unlimited tax general obligation debt has been rated "Aaa" by Moody's. The City's various revenue bonds are rated between "A" and "Aa1" by Moody's and "A+" by Standard & Poor's.

Moody's currently rates over 36,000 separate debt issues, of which 47% are rated "Aaa", but only 127 issuers, including Portland, have obtained that rating based on their own credit quality and without the use of credit enhancements, such as bond insurance. In the 13 Western states, there are only 14 "Aaa" credits obtained on their own merit. Portland is one of only eight cities in the United States with a population over 250,000 holding that rating.

Detailed information regarding the City's debt management policies is contained in the Appendix. The Appendix is in Volume 2 of this budget document.

The following is a brief summary of the City's existing debt and debt instruments, projected as of June 30, 2002.

General Obligation Debt (GO)

GO debt is backed by the full faith and credit and unlimited taxing power of the City. Under current Oregon law, all general obligation debt (except for refunding bonds) must be approved by the voters.

- ◆ \$68.8 million in voter-approved general obligation bonds for park system improvements and for emergency facilities improvements.
- ◆ \$30.1 million in general obligation water bonds. These bonds are repaid from water user charges, but are secondarily backed by the City's general obligation pledge.

Revenue Bonds

Revenue bonds are debt secured by and payable from specific pledged revenue sources such as water or sewer user fees. The City's outstanding revenue bonds include:

- ◆ \$724.4 million in sewer system revenue bonds
- ◆ \$96.9 million in water revenue bonds
- ◆ \$3.6 million in golf revenue bonds
- ◆ \$12.3 million in arena gas tax revenue bonds
- ◆ \$10.4 million in gas tax revenue bonds
- ◆ \$29.5 million in hydropower revenue bonds
- ◆ \$9.8 million in parking revenue bonds
- ◆ \$0.8 million in special assessment bonds
- ◆ \$226.0 million in urban renewal bonds

General Fund backed debt

General Fund backed debt is either paid from or secured by the General Fund, and includes:

- ◆ \$102.7 million in limited tax revenue bonds, full faith and credit obligations and certificates of participation for building improvements and equipment acquisition.
- ◆ \$18.2 million in arena limited tax and limited tax revenue bonds issued to fund public improvements for the Oregon Arena project. These bonds are expected to be repaid from user fees and parking revenues derived from the operations of the Arena project.
- ◆ \$10.7 million in limited tax improvement bonds.
- ◆ \$27.8 million in limited tax revenue bonds issued to fund the Portland Central City Streetcar project. These bonds are expected to be repaid from parking revenues, but are additionally secured by the General Fund.
- ◆ \$136.4 million in limited tax revenue bonds for the Convention Center Expansion project (\$100 million), Civic Stadium Improvement project (\$34.4 million) and Portland Center for Performing Arts improvements (\$2.0 million).

The City has issued these bonds as part of an intergovernmental agreement known as the Visitor Development Initiative. While ultimately secured by the General Fund, these bonds are expected to be repaid with revenues generated from surcharges on the transient lodging tax and the motor vehicle rental tax.

- ◆ \$41.2 million in urban renewal lines of credit. It is expected these interim financing obligations will be retired with the proceeds of long-term tax increment bonds.
- ◆ \$23.5 million in lines of credit used to provide short-term and interim financing for local improvement district projects and housing preservation.

- ◆ \$300.8 million in limited tax pension obligation bonds, of which approximately \$111.7 million is attributed to General Fund bureaus and approximately \$189.1 to non-General Fund bureaus.

Debt Limitation

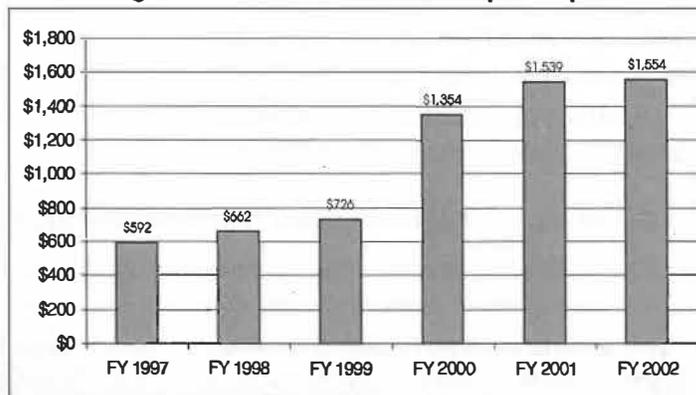
Under Oregon law (ORS 287.004), the City’s general obligation debt limit is equal to three percent of the City’s Real Market Valuation (\$50.4 billion), or about \$1.5 billion. Certain self-supporting bonds are exempted from this limitation. Currently the City has \$68.8 million outstanding in general obligation debt that is subject to the debt limitation.

Debt Limitation Criteria

Criteria	Limit
2001-02 REAL MARKET VALUE	\$50,355,904,812
THREE PERCENT OF REAL MARKET VALUE	\$ 1,510,677,144
CITY OUTSTANDING DEBT SUBJECT TO LIMIT	\$ 68,840,000
PERCENT OF LIMITATION OUTSTANDING	4.56%
DEBT MARGIN	\$ 1,441,837,144

The following table displays gross bonded debt per capita. Included in these figures are the City’s outstanding general obligation bonds, full faith and credit obligations, limited tax improvement bonds, limited tax revenue bonds, and urban renewal bonds.

Figure 8: Gross Bonded Debt per Capita



In fiscal year 2000, the City issued Pension Obligation Bonds in excess of \$300 million to cover an unfunded liability. This was less expensive than paying into the PERS system at the rates calculated by PERS. Significant urban renewal debt was also issued.

In fiscal year 2002, the City issued general obligation refunding bonds and parking system refunding bonds to take advantage of lower interest rates. The City also issued Limited Tax Revenue Bonds in the amount of \$11.3 million to fund the Integrated Regional Network Enterprise (IRNE) project, streetcar acquisition, Emergency Operations Center expansion and various property acquisitions for Parks and Recreation. Additionally, the City took draws on lines of credit of about \$10 million for interim financing of urban renewal and \$5.4 million for interim financing of Water Bureau capital projects.

Anticipated Debt Issuance in FY 2002-03

The City anticipates issuing the following debt obligations during FY 2002-03:

- ◆ \$45 million in water revenue bonds to fund system improvements.
- ◆ \$10 million in assessment bonds to support Local Improvement District (LID) projects.
- ◆ \$40 million in urban renewal bonds to finance improvements associated with the River District urban renewal area.

The City will likely incur additional indebtedness during FY 2002-03 for other capital needs. Other amounts and specific types of debt instruments to be issued will be determined throughout the course of the fiscal year.

THE CITY'S FINANCIAL STRUCTURE

Portland's Fund Structure

Revenues to the City are designated and set aside in funds. The fund structure used by the City is detailed below. Fund summaries, which provide revenue and expenditure detail, are included within the appropriate service area section of Volume Two of the City budget. For example, all Water Bureau-related funds are found within the Public Utilities Service Area section. General Fund summaries are found in the Financial Summaries section of Volume One.

Types of Funds

General Fund: The General Fund includes all activities of the City that are supported by property taxes and other non-dedicated revenues. These include license and permit fees and state shared cigarette and liquor tax. Bureaus supported by the General Fund include Fire, Police, Parks, Community Development, and others.

Other Operating Funds: These funds support agencies such as Emergency Communications, Transportation, and the Office of Planning and Development Review (OPDR). The Water and Environmental Services funds are commonly referred to as "enterprise" funds because they are self-supporting. Others, such as OPDR and Transportation, receive ongoing General Fund subsidies as well as dedicated revenues.

Revenue and Reserve Funds: Revenue funds receive money from specific sources which can be used only for specific purposes. The money must be transferred to an operating fund in order to be spent. Reserve funds hold resources for future use in countering recessionary trends and mitigating mid-year economic downturns or other financial emergencies.

On May 3, 1990 the City Council adopted a General Reserve Fund Use policy. Based upon a review of historical financial trends, the policy formally recognizes the need for a 10% General Reserve level. The policy also provides clear guidelines for the withdrawal of funds based upon economic indicators or an emergency of significant magnitude.

Bonded Debt Funds: These funds account for the payment of debt service on general obligation, revenue, assessment improvement, and urban renewal tax increment bonds. These funds are necessary to manage the City's diverse debt portfolio in a manner that insures compliance with security covenants as well as State and federal regulations.

Construction Funds: These funds account for major construction projects such as streets, water, and sewer improvements. Revenues are received when the City issues bonds and notes for capital projects. Revenues are also received from rates and other recurring sources of income to the City.

Federal Grant Funds: These funds account for grant revenues received from the federal government, such as Housing and Community Development Block Grant funds.

Retirement Funds: The City has one retirement fund. It includes the finances for retirement of police and fire personnel. Revenues are received from a property tax levy authorized by Portland voters in 1940. Other City employees are covered by the State Public Employee Retirement System (PERS).

Internal Service Funds: Internal service funds account for the sale of central services such as fleet and printing to other City and/or County agencies. These funds operate solely on revenues received from the agencies using their services.

Permanent Funds: The City occasionally creates accounts for gifts or bequests that are legally restricted to the extent that only earnings and no principal may be used as designated by the donor. Currently the City has only one fund of this type, the Parks Endowment Fund.

Portland Development Commission: The Portland Development Commission (PDC) is the City of Portland's urban renewal, economic development, and housing rehabilitation agency. It is a semi-autonomous organization that interacts with various City programs. Revenue for PDC is provided through a combination of tax increment, federal grants, program income, contracts, private funding, and transfers from the General Fund. Details on PDC's budget are located in the PDC published budget document.

How Funds Interact

City funds interact in a variety of ways. One fund may pay another fund for either goods or services or to cover operating and capital expenses. Cash transfers also result from the exchange of resources between funds to cover operating and capital expenses. For example, the FY 2002-03 budget includes a transfer from the General Fund to the Transportation Operating Fund to support the operations and maintenance of the Street Lighting program. Transfers between funds result in the budgeting of the dollars in both participating funds.

Basis of Budgeting

The City's budget is prepared in a manner consistent with its financial structure and as required by Oregon Revised Statutes. All funds are included within the budget along with the organizations and programs which they support. However, unlike the financial basis of reporting, the City's budget is prepared completely on a modified accrual basis. That basis means that the budget anticipates revenues based upon when they will be actually received and upon expenditures when they will actually occur.

One exception exists to this general rule for the acknowledgment of revenues. Property tax revenues are acknowledged within the budget for 90 days after the close of the fiscal year. Items which are not fully expended at year-end must be re-budgeted in the following fiscal year.

Budgetary Controls and Change Management

The Council maintains oversight of the City's financial condition through three formal reviews of the annual budget, and various informal reviews and work sessions. At the beginning of the fiscal year, bureaus identify their expected pattern of expenses and revenues, where applicable, which is reviewed and analyzed by the Bureau of Financial Planning and presented to Council. The bureaus also include performance level projections for each City program. Formal comparisons between the projected and actual expenditures and performance are completed three times per year under the direction of Financial Planning, and reported to Council.

Adjustments to bureau budgets generally occur during a trimester reporting process or through a Supplemental Budget process.

Adjustments to bureau budgets generally occur during one of these trimester reporting processes or, if legally required by State Budget Law, through a Supplemental Budget process, which typically occurs in the spring and fall. This requirement allows the Council to closely review the Citywide impact of budget adjustments on a trimester basis. It also ensures that Council's directives are being followed. Bureaus may also request changes to their budget during the year via ordinances.

The City has a system for monitoring the financial condition of its General Fund. A Financial Outlook report is issued at the end of each accounting period, or 13 times per year. The report provides Council, bureau managers, and others with information on the status of General Fund revenues and expenditures in comparison to the budget. The report also forecasts the year-end balance for the General Fund.

Basis of Accounting and Accounting Structure

Governmental accounting, governed by State statute and Generally Accepted Accounting Principles (GAAP), differs substantially from private sector accounting. Private sector financial reports measure economic profits, whereas governmental accounting focuses on disclosing how public money is spent, thus controlling the amount spent for any given purpose.

City Funds employ either Accrual Basis or Modified Accrual Basis Accounting.

Types of Accounting

- ◆ Enterprise, internal service, and selected other funds are maintained on an accrual basis, recording revenues at the time they are earned.
- ◆ The General, Transportation, Special Revenue, Debt Service, Capital and Permanent funds are maintained on a modified accrual basis. Revenues are recorded when measurable and available. Expenditures are recorded when the liability is incurred, with the following exceptions:
 - ◆ Inter-fund transactions for services are recorded on a cash basis.
 - ◆ Revenues for grants are recorded as earned.
 - ◆ Interest on general long-term debt and special assessment bonds are recorded when due.
 - ◆ Earned, but unpaid, vacations are recorded as expenditures when taken by employees.

Financial Reporting

The Comprehensive Annual Financial Report (CAFR) of the City presents a picture of the City's finances, on a Citywide and individual fund basis. The CAFR, required by state statute, is prepared in accordance with GAAP. It reconciles differences between the budgetary basis - as presented in the annual Adopted Budget - and the modified accrual method used in preparing the CAFR.

The City has earned GFOA's Certificate of Achievement for the past 20 years.

The City has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the past 20 years. The GFOA is a national organization composed of professionals in the field of public financial management. The group has established stringent criteria for the awards program in order to ensure quality, full-disclosure accounting and reporting systems within the public sector.

Independent Audit Requirements

The fiscal affairs of the City are audited by an independent auditor each year.

The annual financial report of the City is prepared in accordance with Oregon law. It requires that an annual audit of the fiscal affairs of the City be performed by an independent auditor in accordance with generally accepted auditing standards and the minimum standards for audits of Oregon municipal corporations.

The City also has an independently-elected Auditor responsible by Charter for conducting internal financial and performance audits for specific City services.

SUMMARIES OF FINANCIAL POLICIES

In addition to Council goals, the City has many policies that interact with and provide direction in making budgetary decisions. The Comprehensive Financial Management policy demonstrates City Council's commitment to establishing policies that ensure long-term stability for the delivery of City services. Work is presently underway to develop a comprehensive human resources policy as well.

To develop and manage the finances and budget, the City has the following policies:

Comprehensive Financial Management Policy

Approved by Council in June of 1992, this policy represents the culmination of City efforts to establish broad guidelines for managing a diverse financial portfolio. The document and its subordinate policies provide guidance in the areas of financial planning, budgeting, accounting, auditing, treasury, and debt management.

Debt Management Policy

The Council first adopted a Debt Management policy in 1984. The policy is directed to maintain the City's Aaa (triple A) bond rating issued by Moody's, to ensure prudent debt decisions, and to lower the cost of overall debt management. The policy also places limits on the City's debt, centralizes the management function, and requires completion of various reports critical to maintaining the City's financial health. These guidelines are used both in constructing the debt portions of the annual budget and in gauging debt related decisions during the year.

General Reserve Policy

On May 3, 1990, the Council adopted Resolution 34722, which formally recognized City general reserve requirements and provided specific guidelines governing the withdrawal of funds. The policy requires the maintenance of a reserve equivalent to 10% of General Fund resources. Each year, the Council reaffirms this policy through the adoption of the General Fund Financial Forecast and the annual budget.

The City of Portland maintains a 10% General Fund cash reserve.

The Council has successfully developed a General Fund Reserve budgeted at \$37 million for FY 2002-03, equal to the required 10%. One half of the 10% reserve is for major unanticipated emergencies or significant revenue fluctuations during the fiscal year. The second half is a counter-cyclical reserve, which can only be accessed when key economic indicators point to an upcoming recession likely to affect City resources.

The counter-cyclical reserve is intended to provide the City with a two-year period to adjust to slow-downs resulting from economic recession. Any excess reserves over the next two years may be transferred to support one-time expenditures.

- Compensation Policy** The Council has followed a practice of indexing total annual compensation adjustments other than merit increases (wages, salaries, and benefits) to the growth in the Portland consumer price index. This practice has been used to better anticipate compensation increases and necessary set-asides. This policy also serves as the focus of negotiations with the City's labor organizations. All of the City's major labor contracts now include a cap on health benefit increases.
- Revenue Policy** Approved as part of the Comprehensive Financial Management policy document, the revenue policy outlines responsibilities for collecting and monitoring revenues. Discretionary resources are defined. Guidelines make bureaus responsible for revenue collection. Direction is provided for the allocation of surplus revenues. The policy establishes guidelines for the completion of cost-of-service studies, monitoring revenues and related expenses, and enhancing revenues where appropriate and consistent with Council service priorities.
- Investment Policy** For over a decade, the City has had a policy governing how cash from its various funds is to be invested. All estimates of fund-level interest earnings have been developed in compliance with that policy.
- Interagency Policy** This policy provides guidelines for setting service rates between City agencies, establishing billing procedures, and resolving disputes. Interagency services include printing, vehicle use, communications, insurance, computer, facilities and other services.
- Local Improvement District Financing Policy** Approved by the Council in May 1991, this policy set up criteria and guidelines for starting and administering local improvement districts. These districts provide low-interest financing to property owners for capital improvements. The City sells bonded debt to cover the cost of capital improvements. Property owners are annually assessed an amount to retire the debt. The policy is intended to help foster such financing while protecting the City's long-term financial health by ensuring adequate security for bondholders.
- The above policies represent the continued efforts of the City Council to establish guidelines and systems directed at sustaining the City's financial health while providing quality services. The policies also demonstrate the Council's efforts to exercise more control over the City's budget and financial conditions.

SUMMARIES OF PLANNING POLICIES

The Council has adopted numerous policies governing the provision of specific services by the City. These policies provide further guidance to bureaus as they develop the annual budget.

Comprehensive Plan

The Comprehensive Plan establishes policies for how and where development occurs in the city.

Comprehensive planning in Oregon was mandated by the 1973 Legislature with the adoption of Senate Bill 100. Under this Act, the State Land Conservation and Development Commission (LCDC) was created and directed to adopt statewide planning goals and guidelines. These goals and guidelines were adopted by LCDC in December 1974 and became effective January 1, 1975. On October 16, 1980, the Portland City Council adopted a Comprehensive Plan for the City, including goals, policies, objectives, and a plan map, to

guide the future development and redevelopment of the city. The goals and policies of the Comprehensive Plan provide the context and guidance for future City programs, major capital projects, and other funding decisions. The Comprehensive Plan establishes policies for how and where development occurs in the city. It includes policies which address such issues as citizen involvement, land use, environmental protection, and affordable housing.

Portland Future Focus In August of 1991, the City issued its first community strategic plan called Portland Future Focus. It was designed to plan for Portland's future in the face of the community's changing role in the state and the region. The planning process was led by a policy committee of 55 citizens, including representatives for the City, business, neighborhoods, education, neighboring governments, and other interests.

The goals contained within the document were directed at achieving a vision for Portland. They provide a filter against which to base decisions, including those considered during the annual budget process.

Portland - Multnomah County Benchmarks During 1993, a public process including several hundred people was conducted to develop measures to gauge how well the community is progressing toward its shared vision as articulated in Portland Future Focus and other community strategic plans. These benchmarks provide another tool for elected and community leaders to use in guiding future actions. An annual report is issued on the adopted benchmarks. This report continues to be an important document for use by the Council in establishing goals and priorities for the budget process.

Community Policing Resolution 34670, approved by Council on January 26, 1990, adopted the original five-year plan for the Police Bureau transition to a community policing philosophy. Included were the goals and objectives of community policing. The plan called for 200 additional positions to implement community policing.

In 1994, Council further committed to the community policing philosophy with the passage of Resolution 35264, which adopted the Community Policing Strategic Plan. The strategic plan defines the mission, five-year goals and objectives, strategies, and performance measures. The plan was updated in the Spring of 1999.

Regional Light Rail Resolution 34690, approved by Council on March 14, 1990, formalized the Council's commitment to development of a regional light rail plan. This action resulted from the successful installation and operation of a light rail line connecting downtown with the City of Gresham, east of Portland. The west-side rail line extending to Hillsboro opened in August of 1998.

Light rail will be the focus of the region's future transportation system.

Construction is currently underway of a north-south light rail line, which will extend from the Rose Quarter in inner Northeast Portland to the Expo Center, located in North Portland near the Columbia River. A vintage trolley system is also in operation on the light rail line, with plans under development for its expansion.

In July of 2001, the City began operation of a new streetcar system which runs north to south through the central city. Light rail will be the focus of the region's future transportation system, and a key in responding to the significant growth the area is expected to experience over the next two decades.

Regional Water Supply Plan (RWSP)

The RWSP provides a comprehensive, integrated framework of technical information, resource strategies, and implementing actions to meet the water supply needs of the cities, counties, and water districts in the Portland metropolitan area to the year 2050. The metropolitan region is made up of 3 counties and 24 cities with a population of approximately 1.3 million.

The RWSP report is built on a series of studies on potential water demand and supply options.

In 1991-92, at the direction of City Council, the Water Bureau worked with other water providers in the metropolitan area on a series of studies which analyzed the potential demand for water in the region and identified supply options. These studies were followed by public input and eventually formed the foundation of the final RWSP report. In early 1997, the City Council approved an inter-governmental agreement of regional water providers consortium which supports the final RWSP report.

The Water Bureau is working with the other water purveyors in the region to update the RWSP, including tasks to identify long-term water needs, to develop strategies for meeting those needs, and to determine specific facility requirements for the future. Part of this effort includes the ongoing negotiation of new wholesale water sales agreements to replace existing contracts that are scheduled to expire over the next three to five years.

In addition to the contract renewal discussions, there is a parallel initiative exploring the feasibility of forming a new regional water agency in the area to replace some or all of the service functions of existing water agencies. If formed, such a regional agency would likely play a significant role in the region's water system planning.

Environmental Services Policy

The FY 2002-03 budget for the Bureau of Environmental Services (BES) reflects a number of policies, most intended to comply with federal and state requirements.

Endangered Species Act

City complies with federal ESA requirements to protect and restore salmon and steelhead species.

In March of 1998 and March of 1999, the National Marine Fisheries Service (NMFS) issued final rules to list the Lower Columbia steelhead and chinook salmon as threatened species under the Endanger Species Act. To respond, the BES budget includes funding to develop comprehensive watershed plans for the Willamette River watershed as well as the Fanno/ Tryon Creek, Johnson Creek, and Columbia Slough sub-watersheds. The plans will provide background information and recommendations to improve watershed health that will support the City's fish recovery efforts.

Combined Sewer Overflow Program

CSO capital program continues with Westside Tunnel construction in FY 2002-03.

The budget ensures compliance with three administrative orders issued by the State Environmental Quality Commission relating to overflows from the combined sewer portion of the collection system. Terms of those orders require the City to eliminate discharges that violate applicable water quality standards. Such work must be completed by December 1, 2011 and is expected to cost approximately \$1 billion in current dollars.

Portland Harbor Sediments

The Environmental Protection Agency has listed the Willamette River Portland Harbor as a Superfund site on the National Priorities List. The site is approximately six river miles in length, extending from the Multnomah Channel to the Swan Island industrial area, all within the corporate boundaries of Portland. BES, representing the City, participates in the Lower Willamette Group, a group of potentially responsible parties that has negotiated an

administrative order with the EPA to fund and define the parameters of a remedial investigation and feasibility study to determine the extent of contamination in the Harbor. The FY 2002-03 Adopted Budget includes \$2.7 million to support the City's share of the costs for the Lower Willamette Group, expenses related to preliminary work on City sites on, and upland of, the river, and the cost of City staff.

Sustainable Development

New office carries out City/County policies on energy, global warming, green building, and sustainable operations.

Office of Sustainable Development

In the Fall of 2000, City Council created the Office of Sustainable Development (OSD) by merging the former Energy Office and Bureau of Refuse Disposal. OSD implements and carries out the policies of the Portland Energy Policy, adopted by Council in 1990, and the Local Action Plan on Global Warming, adopted by both the City and Multnomah County in 2001. The office is also responsible to implement the Green Building Initiative, which Council adopted in 1999, and supports and staffs the joint City-County Sustainable Development Commission, which was created to carry out the Sustainable City Principles adopted in 1994.

Solid waste programs are now managed by the Office of Sustainable Development.

Solid Waste

In creating OSD, Council assigned it responsibility for solid waste programs and policies. Council adopted ordinance 162497 in 1990 to establish residential garbage collection franchise areas, expand neighborhood-based recycling programs, and assess a garbage collection franchise fee. In January 1996, a commercial recycling program was implemented. In FY 2001-02, the City Council approved renewal of the franchise contracts with private haulers for the residential solid waste and recycling collection services. The FY 2002-03 budget supports the continuation of this franchise collection system as well as an extensive recycling and yard debris program.

Prosperous Portland

The City's economic development policy, adopted in FY 1994-95, represents an integrated set of policies relating to the City's economic development and workforce development strategies and efforts.

Arts Plan 2000+

Presented to Council in July of 1991, the Arts Plan 2000+ culminated an eighteen-month planning process launched by the City of Portland, the Metro, other regional governments and private sector entities. The study reviewed the regional art industry and established goals and priorities for cultural development. The plan now serves as the City's cultural policy. In FY 1994-95 the Metropolitan Arts Commission converted to a regional non-profit organization renamed the Regional Arts and Culture Council.

Budget Notes

PUBLIC SAFETY

Police

Police Bureau Budget

The Police Bureau, working with the Bureau of Financial Planning and the Mayor's office shall re-examine the level of funding for the organization. The Bureau will report to the Mayor and Council on options and plans for achieving a sustainable budget including what services will be delivered. This report will be completed and delivered to Council by November 1, 2002.

As part of this study the Bureau, with assistance from BFP, shall review existing financial and other support systems including deployment and overtime control systems. The Bureau will produce a report and if warranted, make recommendations to the Mayor and Council concerning system changes.

PARKS, RECREATION AND CULTURE

Parks

Cost of Service - Recreational Programs

The Parks Bureau, in consultation with the Bureau of Financial Planning, shall update their cost of service study to include the total cost for all programs. The Bureau will use the data from this study to develop and deliver to Council a recommendation on what level of subsidy is appropriate for its programs and services.

COMMUNITY DEVELOPMENT

Office of Neighborhood Involvement

Neighborhood Mediation

Neighborhood Mediation will be budgeted in ONI for FY2002-03. Delivery of Mediation Services shall be subjected to a request for proposal purchasing process. A report on the alternative delivery model, including implementation date, will be presented to Council by September 1, 2002.

Crime Prevention

Continued funding for the Crime Prevention program within ONI is dependent upon successful management of workloads and schedules, and curtailment of overtime.

LEGISLATIVE, ADMINISTRATIVE AND SUPPORT SERVICES

Government Relations

The office of Government Relations will continue to contract for lobbying services in Washington, D. C. Any decisions by the office of Government Relations to terminate the contract for these services will be undertaken in consultation with the bureaus providing funds for that contract: Water, BES and PDOT. Termination of the lobbying contract will also terminate the Interagency agreement between the affected bureaus.

Budget Notes

Page 68 of 100

[The following text is extremely faint and largely illegible. It appears to be a list of budget items or notes.]

Financial Summaries

Guide to the Financial Summaries

Introduction

The "Financial Summaries" section of Volume 1 contains a variety of tables intended to help the reader view the FY 2002-03 Adopted Budget as a whole, consolidating the budget figures across all the City's funds and bureaus.

Volumes 1 and 2 were reorganized in FY 2001-02.

The "Financial Summaries" section of Volume 2 contains the tables that summarize city finances by fund, as well as fund specific detail.

With the exception of Table 4, Summary of Authorized Full-Time Positions, the tables in this section do not include figures for the Portland Development Commission (PDC). PDC is a semi-autonomous agency that operates under City charter but is budgeted separately.

VOLUME 1 SUMMARY TABLES

Total City

Table 1 shows resources and requirements for the City.

The first summary (Table 1) offers the broadest picture: the entire City budget condensed onto one page, comparing FY 2001-02 with FY 2002-03. This summary shows that for the City as a whole, as well as for any individual fund, resources must always equal requirements. That is, the amount of money planned to be spent from a fund, plus the dollars reserved for contingencies or reserves ("requirements") must equal the total amount of money flowing into the fund plus its beginning balance ("resources"). For simplicity, the Financial Summaries use the terms "revenue" and "expense," even though those terms have more specific meanings in the world of accounting. The detailed budget pages for individual funds, however, do use the more formally correct terms "resources" and "requirements" to signify what a fund has (or expects to get) versus what it needs.

Major Types of Expenditures

Table 1 shows the budget broken into its major revenue and expense classes. On the requirements side of the budget, there are two types of major expenses classes. The bureau expenses (or "bureau requirements" in the individual fund pages) are the types of expenditures - operating or capital - that result from programs or services provided by the City's bureaus. These categories are personal services, internal materials and services, external materials and services, capital outlay, and a less-often used category, equipment cash transfers. The other type of major expense class are fund expenses (or "fund requirements"). These are financial requirements needed to keep a fund healthy and meet its obligations - such as contingencies, debt retirement, and most interfund transfers - but which may not be associated with the operations of any particular bureau. This distinction is important because the bureau requirements, the "service" part of the budget, is used in some of the financial summaries rather than total fund requirements.

Net Budget

The Citywide totals in Table 1 and other summaries show the sum of the various funds and a "net budget" figure. The net budget subtracts the "double count" caused by interfund transfers and tax anticipation notes. Tax anticipation notes (TANs) are short term debt sold early in some years to provide cash until property tax revenues are received. The double count occurs because the City budgets for both TANs and property tax revenues.

Summary by Service Area

Table 2 shows operating and capital budgets by service areas.

Table 2, Operating and Capital Budget by Service Area, summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area and bureau. It does not include fund requirements, such as contingencies, reserves, debt principal, or interfund transfers.

General Fund Revenues and Expenses

Table 3 summarizes the budget for the General Fund, the City's largest, most visible, and most flexible fund. It shows the different sources of revenue, the expense budgets for individual bureaus, and the fund-level expenses, and compares the FY 2001-02 Budget to the FY 2002-03 Budget.

Discretionary vs. Non-Discretionary

Table 3 shows General Fund discretionary and total budgets by bureau.

Table 3 also shows how much of a bureau's budget comes from "discretionary" General Fund resources. Some of the General Fund revenues ("non-discretionary" resources) are restricted by contract or policy to be spent only for certain purposes, or the Council has decided to dedicate them to a particular bureau because the revenues are generated by that bureau's operations. For instance, TriMet (the regional transit authority) contracts with the Police Bureau for police services. Those dollars can only be spent by the Police Bureau for activities related to that contract. Similarly, Portland Parks and Recreation generates fee income from its recreation programs that the Council has decided, by policy, to dedicate to parks and recreation functions.

The major types of non-discretionary resources are: grants and donations; contract revenues; interagency service agreements with another City bureau; revenues from services provided to the public for which there is a charge or fee; and overhead charges, which recover from other funds the cost of services provided by central administrative bureaus based in the General Fund.

The bureau's discretionary budget subtracts revenues restricted to certain activities and therefore represents the bureau's allocation of those dollars over which the City Council exercises discretion, such as property taxes, business licenses, or utility license fees.

The total General Fund FY 2002-03 Proposed Budget is \$369,387,293. After subtracting the cost of those activities tied to non-discretionary funding sources, the flexible part of the General Fund is actually \$282,336,925. City Council can choose to dedicate discretionary resources to any service area, bureau or program.

Summary of Authorized Full-Time Positions

Table 4 summarizes authorized full-time positions.

Table 4 is a straightforward summary of the regular full-time positions authorized in the budget, along with a comparison between fiscal years. These positions are broken out by bureau (including PDC). They do not include limited-term, or part-time positions.

Total City Budget – Revenues and Expenses

TABLE 1

This table summarizes the City budget as a whole according to the major categories of expenses and revenues. The figures on this page combine all of the City's funds except those of the Portland Development Commission, a semi-autonomous agency that operates under City charter but is budgeted separately. All subsequent budget tables follow this format.

	Revised FY 2001–02	Adopted FY 2002–03
RESOURCES		
External Revenues		
Property Taxes	259,719,136	268,031,003
Other Taxes	13,571,860	12,516,438
Licenses and Permits	111,229,145	113,545,696
Service Charges	319,026,258	326,109,519
Intergovernmental	143,844,733	124,499,241
Miscellaneous	66,997,360	50,031,213
Debt Proceeds	158,703,110	158,275,438
Total External Revenues	1,073,091,602	1,053,008,548
Transfer from Other Funds		
Service Reimbursements	146,888,506	139,685,710
Cash Transfers	393,639,083	386,488,234
Total Transfers from Other Funds	540,527,589	526,173,944
Beginning Fund Balances	479,011,154	372,241,417
Total Budget	2,092,630,345	1,951,423,909
Less Interfund Transfers and Tax Anticipation Notes	(570,527,589)	(556,173,944)
TOTAL NET BUDGET	\$ 1,522,102,756	\$ 1,395,249,965
REQUIREMENTS		
Bureau Expenses		
Personal Services	393,181,412	398,203,887
External Materials & Services	421,975,517	379,846,381
Internal Materials & Services	142,512,963	139,660,710
Capital Outlay	139,592,037	147,608,128
Equipment Cash Transfers	4,375,543	25,000
Total Bureau Expenses	1,101,637,472	1,065,344,106
Fund Level Expenses		
Debt Service	261,355,431	229,848,264
Fund Level Cash Transfers	393,639,083	386,488,234
Inventory Increases	140,000	140,000
Contingency	267,584,768	216,681,920
Total Fund Level Expenses	922,719,282	833,158,418
Total Appropriated Budget	2,024,356,754	1,898,502,524
Unappropriated Ending Balance	68,273,591	52,921,385
Total Budget	2,092,630,345	1,951,423,909
Less Interfund Transfers and Tax Anticipation Notes	(570,527,589)	(556,173,944)
TOTAL NET BUDGET	\$ 1,522,102,756	\$ 1,395,249,965

Operating and Capital Budget by Service Area

TABLE 2

This table summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area, and by bureau. It does not include fund requirements such as contingencies, reserves, debt principal, or interfund transfers.

	Revised FY 2001-02			Adopted FY 2002-03		
	Operating Budget	Capital Improvements	Total Expenditures	Operating Budget	Capital Improvements	Total Expenditures
Public Safety						
Police	122,286,626	35,000	122,321,626	123,944,423	0	123,944,423
Fire	63,728,946	1,812,091	65,541,037	64,613,282	1,040,000	65,653,282
Fire & Police Disability & Retirement	67,450,604	0	67,450,604	72,440,807	0	72,440,807
Bureau of Emergency Communications	13,241,449	0	13,241,449	12,819,189	0	12,819,189
Public Safety Fund - Capital	0	2,060,944	2,060,944	0	1,395,792	1,395,792
Other Public Safety	15,596,936	15,217,950	30,814,886	14,548,121	15,292,917	29,841,038
Total Public Safety	282,304,561	19,125,985	301,430,546	288,365,822	17,728,709	306,094,531
Parks, Recreation and Culture						
Parks and Recreation	42,625,463	0	42,625,463	41,460,778	0	41,460,778
Parks Bond Construction Fund	0	0	0	0	0	0
Parks Construction Fund	0	10,472,545	10,472,545	(27,660)	4,712,833	4,685,173
Golf	5,050,991	4,934,077	9,985,068	5,182,747	890,000	6,072,747
Portland International Raceway	977,296	0	977,296	1,018,396	0	1,018,396
Spectator Facilities	1,987,527	2,700,000	4,687,527	1,605,029	650,000	2,255,029
Other Parks, Recreation and Culture	9,540,521	0	9,540,521	8,683,368	0	8,683,368
Total Parks, Recreation and Culture	60,181,798	18,106,622	78,288,420	57,922,658	6,252,833	64,175,491
Public Utilities						
Environmental Services - Sewer	73,518,017	86,994,200	160,512,217	75,598,726	92,814,951	168,413,677
Hydroelectric Power	713,324	0	713,324	541,550	0	541,550
Water	52,770,633	26,024,000	78,794,633	47,658,582	41,460,300	89,118,882
Sustainable Dev. - Refuse Disposal	3,641,211	0	3,641,211	2,909,390	0	2,909,390
Other Public Utilities	9,484,876	365,000	9,849,876	7,578,484	365,000	7,943,484
Total Public Utilities	140,128,061	113,383,200	253,511,261	134,286,732	134,640,251	268,926,983
Community Development						
Cable and Franchise Management	1,903,014	0	1,903,014	1,722,624	0	1,722,624
Cable Fund	2,419,188	0	2,419,188	2,964,594	0	2,964,594
Housing & Community Dev. Op	12,100,380	0	12,100,380	8,983,073	0	8,983,073
Housing & Community Dev. Fund	23,015,972	0	23,015,972	15,658,064	0	15,658,064
LID Construction	5,829,025	3,100,000	8,929,025	3,398,741	2,249,161	5,647,902
Office of Neighborhood Involvement	5,260,552	0	5,260,552	5,194,089	0	5,194,089
Planning and Development Review	29,820,413	0	29,820,413	29,300,075	0	29,300,075
Planning	8,701,724	370,520	9,072,244	7,204,545	0	7,204,545
Office of Sustainable Development	2,246,749	0	2,246,749	1,310,561	0	1,310,561
Transfers to PDC	46,086,397	0	46,086,397	43,170,000	0	43,170,000
Other Community Development	41,927,741	0	41,927,741	39,187,142	225,000	39,412,142
Total Community Development	179,311,155	3,470,520	182,781,675	158,093,508	2,474,161	160,567,669
Transportation and Parking						
Parking facilities	5,104,812	2,832,699	7,937,511	5,145,686	1,398,736	6,544,422
Transportation and Street Lighting	81,023,130	29,558,799	110,581,929	79,781,351	38,006,635	117,787,986
Other Transportation and Parking	6,255,093	0	6,255,093	6,238,623	0	6,238,623
Total Transportation and Parking	92,383,035	32,391,498	124,774,533	91,165,660	39,405,371	130,571,031
Legislative, Administrative & Support Services						
City Attorney	4,771,479	0	4,771,479	4,885,929	0	4,885,929
City Auditor	6,256,016	184,239	6,440,255	6,639,591	0	6,639,591
General Services - Administration	0	0	0	0	0	0
General Services - Communications	7,577,318	10,678,993	18,256,311	9,297,218	798,439	10,095,657
General Services - Facilities Services	16,880,834	8,400,498	25,281,332	11,738,966	2,123,667	13,862,633

Operating and Capital Budget by Service Area

TABLE 2

This table summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area, and by bureau. It does not include fund requirements such as contingencies, reserves, debt principal, or interfund transfers.

	Revised FY 2001-02			Adopted FY 2002-03		
	Operating Budget	Capital Improvements	Total Expenditures	Operating Budget	Capital Improvements	Total Expenditures
General Services - Fleet	23,787,981	1,099,000	24,886,981	20,092,376	0	20,092,376
General Services - Printing and Dist.	6,965,994	0	6,965,994	6,338,410	0	6,338,410
Government Relations	725,481	0	725,481	751,627	0	751,627
Information Technology	19,560,702	0	19,560,702	16,351,364	0	16,351,364
Insurance and Claims	6,565,447	0	6,565,447	6,831,970	0	6,831,970
Licenses	3,649,383	0	3,649,383	3,773,814	0	3,773,814
Management and Finance	21,008,322	0	21,008,322	21,889,908	0	21,889,908
Mayor and Commissioners' Offices	4,067,981	0	4,067,981	3,793,401	0	3,793,401
Purchases	0	0	0	0	0	0
Worker's Compensation	4,532,466	0	4,532,466	4,451,330	0	4,451,330
Other Leg, Admin & Support Services	14,123,903	0	14,123,903	15,200,391	0	15,200,391
Total Legislative, Administrative & Support Services	140,473,307	20,362,730	160,836,037	132,036,295	2,922,106	134,958,401
PDC Urban Renewal Debt						
Waterfront Renewal Debt Service	15,000	0	15,000	15,000	0	15,000
Total PDC Urban Renewal debt	15,000	0	15,000	15,000	0	15,000
TOTAL EXPENDITURES	\$ 894,796,917	\$ 206,840,555	\$1,101,637,472	\$ 861,885,675	\$ 203,423,431	\$1,065,309,106
FUND REQUIREMENTS						
Ending Fund Balance			68,273,591			52,921,385
Contingency			267,584,768			216,681,920
GF Overhead Transfers			10,682,387			11,054,538
Grants Transfers			22,666,541			13,428,263
Other Cash Transfers			360,290,155			362,040,433
Inventory Increases			140,000			140,000
Debt Retirement			261,355,431			229,848,264
TOTAL CITY BUDGET	\$	\$	\$2,092,630,345	\$	\$	\$1,951,423,909
TOTAL NET CITY BUDGET	\$	\$	\$1,522,102,756	\$	\$	\$1,395,249,965

General Fund Revenues and Expenses

TABLE 3

This table summarizes the type of revenues into the General Fund, as well as the bureau expense budgets, with a comparison between fiscal years.

	Discretionary Budget		Total Budget	
	Revised FY 2001-02	Adopted FY 2002-03	Revised FY 2001-02	Adopted FY 2002-03
RESOURCES				
Property Taxes	145,483,147	149,036,195	145,483,147	149,036,195
Lodging Taxes	11,268,217	10,488,630	11,268,217	10,488,630
Business Licenses	50,284,160	46,640,528	50,284,160	46,640,528
Utility License Fees	46,179,688	51,610,096	46,179,688	51,610,096
Service Charges and Other	3,702,138	3,521,022	29,633,357	30,715,277
Intergovernmental	11,445,596	11,583,484	32,717,591	26,501,858
Transfers from Other Funds/Agencies	974,012	3,415,332	37,812,891	41,417,234
Beginning Fund Balance	9,993,144	5,271,367	14,006,333	9,293,255
TOTAL GENERAL FUND RESOURCES	\$ 279,330,102	\$ 281,566,654	\$ 367,385,384	\$ 365,703,073
EXPENSES				
City Attorney	\$1,623,485	\$1,554,533	\$4,771,479	\$4,885,929
City Auditor	\$2,292,249	\$2,418,714	\$6,440,255	\$6,639,591
Cable & Franchsie Management	\$1,479,884	\$1,423,238	\$1,903,014	\$1,722,624
Commissioner #1	\$300,340	\$281,682	\$662,365	\$624,170
Commissioner #2	\$302,189	\$281,348	\$651,068	\$624,170
Commissioner #3	\$300,650	\$281,787	\$656,425	\$650,558
Commissioner #4	\$303,285	\$219,475	\$653,418	\$513,895
Community Development	\$2,797,260	\$2,678,249	\$12,100,380	\$8,983,073
Sustainable Development	\$331,947	\$325,354	\$2,246,749	\$1,310,561
Finance & Administration	\$2,919,453	\$2,696,077	\$21,008,322	\$21,889,908
Fire	\$60,787,474	\$62,755,910	\$65,544,637	\$65,653,282
General Services	\$0	\$0	\$0	\$0
Governmental Relations	\$316,842	\$319,438	\$725,481	\$751,627
Licenses	\$2,419,626	\$2,593,509	\$3,649,383	\$3,773,814
Mayor	\$627,065	\$585,331	\$1,444,705	\$1,380,608
Neighborhood Involvement	\$3,689,334	\$3,739,469	\$5,260,552	\$5,194,089
Parks & Recreation	\$29,963,216	\$29,933,305	\$42,625,463	\$41,460,778
Planning	\$5,868,826	\$5,930,410	\$9,072,244	\$7,204,545
Police	\$107,986,402	\$110,329,738	\$122,321,626	\$123,944,423
Purchases & Stores	\$25,000	\$25,000	\$25,000	\$25,000
Special Appropriations	\$20,055,159	\$20,949,165	\$20,682,402	\$22,203,618
Total Bureau Expenses	244,389,686	249,321,732	322,444,968	319,436,263
Transfers To Other Funds	\$31,027,918	\$28,213,085	\$31,027,918	\$28,213,085
TANS & Interest	\$349,589	\$349,589	\$10,349,589	\$10,349,589
Contingency-Operating & Unforeseen	\$2,247,184	\$3,682,248	\$2,247,184	\$3,682,248
Contingency-Encumbrance Carryover	\$1,315,725	\$0	\$1,315,725	\$4,021,888
TOTAL GENERAL FUND EXPENSES	\$ 279,330,102	\$ 281,566,654	\$ 367,385,384	\$ 365,703,073

Certain minor cash transfers from General Fund bureaus are reflected in the bureau line and are excluded from Discretionary Transfers to Other Funds. These are the Parks transfer and Licenses transfer to the Governmental Bond Redemption Fund.

Summary of Authorized Positions

TABLE 4

This table summarizes the number of regular full-time positions authorized in each bureau or fund, including the Portland Development Commission (PDC). Limited-term or part-time positions are not included.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Adopted FY 2002-03	Change
General Fund					
City Attorney	39	40	40	38	-2
City Auditor	56	58	66	65	-1
Cable Communications	6	6	7	7	0
Commissioner of Public Affairs	7	7	7	7	0
Commissioner of Public Works	8	8	8	7	-1
Commissioner of Public Utilities	7	7	7	7	0
Commissioner of Public Safety	6	6	6	5	-1
Sustainable Development	21	21	21	23	2
OMF - Bus Ops	64	25	35	34	15
OMF - Financial Management	62	62	58	58	0
OMF - Financial Planning	0	0	0	0	0
OMF - Human Resources	34	37	55	53	-2
Bureau of Fire, Rescue and Emergency Services	735	743	721	710	-11
Government Relations	4	5	4	5	1
Community Development	18	21	21	22	1
Licenses	42	46	39	38	-1
Mayor	16	16	15	15	0
Neighborhood Involvement	36	43	44	46	3
Parks - GF	327	337	344	310	-38
Parks Stores	0	0	0	0	0
Planning	56	67	70	54	-16
Police	1,257	1,249	1,284	1,284	0
OMF - Purchases	28	28	29	27	-2
Special Appropriations	0	0	0	0	0
Total General Fund	2,828	2,831	2,880	2,814	-54
Other Funds					
Emergency Communications	165	160	133	133	0
Environmental Services	442	458	458	456	-2
OMF - Communications	35	38	38	42	4
OMF - Facilities	37	37	35	35	0
OMF - Health	0	7	6	6	0
OMF - Information Technology	50	50	129	128	-2
OMF - Risk	0	27	19	18	-1
OMF - Vehicle Services	81	83	83	83	-83
OPDR	299	302	297	286	-11
Golf	31	32	38	39	1
Hydroelectric Power Division	3	3	3	3	0
Parks Bond Construction	10	0	0	0	0
Parks Construction	3	11	14	11	-3
PIR	6	6	6	6	0
OMF - Printing & Distribution	31	29	29	27	-2
Transportation	703	706	698	694	-9
Water Division	532	543	528	511	-17
Total Other Funds	2,429	2,493	2,515	2,477	-127
Total City	5,257	5,324	5,395	5,291	-180
Portland Development Commission	100	131	163	164	1
TOTAL CITY, INCLUDING PDC	5,357	5,455	5,558	5,455	-179

CAPITAL COST – TABLE 5

This table summarizes project costs by the bureaus within each service area.

Service Area Bureau	Revised		Adopted	Capital Plan					5-Year Total
	Prior Years	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07		
Public Safety									
Bureau of Fire, Rescue & Emergency	2,050,000	1,102,500	1,040,000	1,360,000	1,280,000	1,340,000	1,407,000	6,427,000	
Bureau of General Services	6,651,600	10,946,000	15,292,917	36,676,417	63,712,667	62,524,667	18,555,917	196,762,585	
Bureau of Police	0	0	0	160,000	0	0	0	160,000	
Total Public Safety	8,701,600	12,048,500	16,332,917	38,196,417	64,992,667	63,864,667	19,962,917	203,349,585	
Parks, Recreation and Culture									
Bureau of Parks and Recreation	7,518,875	11,746,532	5,602,833	21,018,897	20,365,290	17,239,902	155,713,479	219,940,401	
Spectator Facilities	36,303,182	2,271,493	650,000	400,000	200,000	200,000	200,000	1,650,000	
Total Parks, Recreation and Culture	43,822,057	14,018,025	6,252,833	21,418,897	20,565,290	17,439,902	155,913,479	221,590,401	
Public Utilities									
Bureau of Environmental Services	229,031,376	60,626,628	92,814,951	105,209,011	90,795,695	89,901,516	63,399,327	442,120,500	
Bureau of Water Works	37,378,746	22,076,670	41,460,300	57,039,000	57,103,000	58,581,000	57,171,000	271,354,300	
Environmental Remediation Division	0	0	365,000	0	0	0	0	365,000	
Total Public Utilities	266,410,122	82,703,298	134,640,251	162,248,011	147,898,695	148,482,516	120,570,327	713,839,800	
Community Development & Services									
Bureau of General Services	0	166,000	225,000	225,000	2,929,000	225,000	30,225,000	33,829,000	
Local Improvement Districts	15,133,100	3,100,000	2,249,161	569,604	583,962	378,552	389,781	4,171,060	
Total Community Development & Ser-	15,133,100	3,266,000	2,474,161	794,604	3,512,962	603,552	30,614,781	38,000,060	
Transportation and Parking									
Bureau of General Services	0	58,950	1,398,736	988,568	1,337,284	1,184,494	1,196,568	6,105,650	
Office of Transportation	11,520,214	30,987,962	38,006,635	21,259,087	42,142,152	24,486,638	7,732,873	133,627,385	
Total Transportation and Parking	11,520,214	31,046,912	39,405,371	22,247,655	43,479,436	25,671,132	8,929,441	139,733,035	
Legislative, Administrative & Support Svcs									
Bureau of General Services	1,960,252	10,052,932	2,922,106	1,882,667	3,834,666	1,986,000	1,874,000	12,499,439	
Total Legislative, Administrative & Sup-	1,960,252	10,052,932	2,922,106	1,882,667	3,834,666	1,986,000	1,874,000	12,499,439	
Total City Capital Plan	\$347,547,345	\$153,135,667	\$202,027,639	\$246,788,251	\$284,283,716	\$258,047,769	\$337,864,945	\$1,329,012,320	

CAPITAL FUNDING – TABLE 6

This table summarizes project funding by source for each service area.

Service Area Fund Group	Revised		Adopted	Capital Plan				5-Year Total
	Prior Years	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	
Public Safety								
Bureau Revenues	115,600	0	1,955,967	1,015,467	406,967	504,967	792,967	4,676,335
Fund Balance	0	800,000	0	1,500,000	0	0	0	1,500,000
General Fund Discretionary	2,050,000	1,102,500	1,297,950	1,777,950	1,537,950	1,597,950	1,664,950	7,876,750
General Obligation Bonds	6,536,000	10,146,000	13,079,000	33,903,000	63,047,750	61,761,750	17,505,000	189,296,500
Total Public Safety	8,701,600	12,048,500	16,332,917	38,196,417	64,992,667	63,864,667	19,962,917	203,349,585
Unfunded	0	0	0	0	0	0	0	0
Total Grand Total	8,701,600	12,048,500	16,332,917	38,196,417	64,992,667	63,864,667	19,962,917	203,349,585
Parks, Recreation and Culture								
Bureau Revenues	344,022	1,890,068	650,000	1,149,900	200,000	200,000	200,000	2,399,900
Fund Balance	2,074,075	0	171,456	2,764	0	0	0	174,220
General Fund Discretionary	1,411,000	948,350	900,000	775,544	3,975,000	4,605,900	5,873,000	16,129,444
General Obligation Bonds	0	50,000	350,000	0	0	0	135,653,700	136,003,700
Grants/Donations	0	0	1,173,841	5,850,150	600,000	0	0	7,623,991
Intergovernmental	548,000	1,433,065	400,000	1,015,208	826,900	868,200	911,610	4,021,918
Others Financing	33,935,084	604,425	113,203	659,000	5,525,000	3,100,000	3,150,000	12,547,203
Service Charges and Fees	991,071	20,000	890,000	4,283,568	260,000	0	5,501,000	10,934,568
System Development Charges	4,283,804	2,680,000	1,464,546	1,690,000	2,500,000	2,500,000	500,000	8,654,546
Tax Increment Financing	235,000	6,392,117	139,787	5,992,763	6,678,390	6,165,802	4,124,169	23,100,911
Total Parks, Recreation and Culture	43,822,057	14,018,025	6,252,833	21,418,897	20,565,290	17,439,902	155,913,479	221,590,401
Unfunded	0	0	0	0	0	0	0	0
Total Grand Total	43,822,057	14,018,025	6,252,833	21,418,897	20,565,290	17,439,902	155,913,479	221,590,401
Public Utilities								
Bureau Revenues	1,027,926	3,854,600	3,370,000	3,262,500	3,387,500	2,662,500	2,667,500	15,350,000
Grants/Donations	6,841,675	2,958,918	2,795,200	512,800	130,000	0	0	3,438,000
Others Financing	4,194,804	1,043,009	1,698,191	2,100,924	1,834,523	1,816,370	1,278,279	8,728,287
Revenue Bonds	169,920,906	55,129,151	96,052,240	118,031,021	109,148,339	110,710,044	92,064,598	526,006,242
Service Charges and Fees	84,424,811	19,717,620	30,724,620	38,340,766	33,398,333	33,293,602	24,559,950	160,317,271
Total Public Utilities	266,410,122	82,703,298	134,640,251	162,248,011	147,898,695	148,482,516	120,570,327	713,839,800
Unfunded	0	0	0	0	0	0	0	0
Total Grand Total	266,410,122	82,703,298	134,640,251	162,248,011	147,898,695	148,482,516	120,570,327	713,839,800
Community Development & Services								
Bureau Revenues	0	166,000	225,000	225,000	225,000	225,000	225,000	1,125,000
General Fund Discretionary	0	0	0	0	2,704,000	0	0	2,704,000
LID	15,133,100	3,100,000	2,249,161	569,604	583,962	378,552	389,781	4,171,060
Others Financing	0	0	0	0	0	0	30,000,000	30,000,000
Total Community Development & Ser-	15,133,100	3,266,000	2,474,161	794,604	3,512,962	603,552	30,614,781	38,000,060
Unfunded	0	0	0	0	0	0	0	0
Total Grand Total	15,133,100	3,266,000	2,474,161	794,604	3,512,962	603,552	30,614,781	38,000,060
Transportation and Parking								
Bureau Revenues	543,041	1,399,090	2,274,861	619,604	633,962	378,552	389,781	4,296,760
Fund Balance	473,292	1,370,504	2,673,625	50,000	145,000	0	0	2,868,625
General Fund Discretionary	450,000	450,000	350,000	400,000	400,000	400,000	400,000	1,950,000
General Transportation Revenue	2,890,052	1,899,705	1,832,232	2,288,388	1,409,328	1,466,506	1,450,000	8,446,454
Grants/Donations	2,922,606	7,124,954	3,121,720	4,704,009	27,417,545	6,218,916	0	41,462,190
Intergovernmental	2,738,975	13,563,756	18,788,386	11,083,685	8,363,702	9,056,733	1,550,779	48,843,285
Others Financing	0	58,950	1,398,736	988,568	1,337,284	1,184,494	1,196,568	6,105,650
Revenue Bonds	0	0	2,864,000	0	0	0	0	2,864,000
Service Charges and Fees	1,216,189	1,010,985	1,179,438	1,204,200	1,240,600	1,279,100	1,318,800	6,222,138
System Development Charges	286,059	4,168,968	4,922,373	909,201	2,532,015	5,686,831	2,623,513	16,673,933
Total Transportation and Parking	11,520,214	31,046,912	39,405,371	22,247,655	43,479,436	25,671,132	8,929,441	139,733,035
Unfunded	0	0	0	0	0	0	0	0
Total Grand Total	11,520,214	31,046,912	39,405,371	22,247,655	43,479,436	25,671,132	8,929,441	139,733,035
Legislative, Administrative & Support Svcs								
Bureau Revenues	425,480	314,000	2,123,667	1,882,667	3,834,666	1,986,000	1,874,000	11,701,000
Others Financing	0	9,738,932	798,439	0	0	0	0	798,439

CAPITAL FUNDING – TABLE 6

This table summarizes project funding by source for each service area.

Service Area	Fund Group	Revised		Adopted	Capital Plan				5-Year Total
		Prior Years	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	
Total Legislative, Administrative & Sup-		1,960,252	10,052,932	2,922,106	1,882,667	3,834,666	1,986,000	1,874,000	12,499,439
Unfunded		0	0	0	0	0	0	0	0
Total Grand Total		1,960,252	10,052,932	2,922,106	1,882,667	3,834,666	1,986,000	1,874,000	12,499,439
Total Total City Funding Sources		\$347,547,345	\$153,135,667	\$202,027,639	\$246,788,251	\$284,283,716	\$258,047,769	\$337,864,945	\$1,329,012,320

GEOGRAPHIC SUMMARY – TABLE 7

	Prior Years	Revised	Adopted	Capital Plan				5–Year Total
		FY 2001–02	FY 2002–03	FY 2003–04	FY 2004–05	FY 2005–06	FY 2006–07	
Public Safety								
All Area	8,701,600	12,048,500	14,721,917	22,017,917	20,746,417	42,967,417	6,147,917	106,601,585
Central City	0	0	761,000	2,397,500	24,101,250	13,584,250	0	40,844,000
East	0	0	275,000	144,000	0	0	23,000	442,000
North	0	0	230,000	140,000	0	500,000	0	870,000
Northeast	0	0	27,000	6,715,000	6,715,000	0	363,000	13,820,000
Northwest	0	0	0	0	0	0	13,429,000	13,429,000
Southeast	0	0	318,000	67,000	6,715,000	6,813,000	0	13,913,000
Southwest	0	0	0	6,715,000	6,715,000	0	0	13,430,000
Total Public Safety	8,701,600	12,048,500	16,332,917	38,196,417	64,992,667	63,864,667	19,962,917	203,349,585
Parks, Recreation and Culture								
All Area	4,283,804	3,676,450	1,887,546	3,452,400	4,676,900	4,167,100	26,646,610	40,830,556
Central City	50,000	5,044,722	260,422	3,460,717	4,605,308	3,901,416	9,280,652	21,508,515
East	75,000	31,000	3,777	0	0	3,150,000	12,643,500	15,797,277
North	1,539,071	619,000	1,562,777	5,677,568	4,930,000	280,000	27,606,500	40,056,845
Northeast	1,094,022	1,257,956	920,000	603,000	1,665,000	1,382,000	20,848,200	25,418,200
Northwest	390,000	279,200	350,000	220,000	240,000	364,000	10,467,500	11,641,500
Southeast	336,000	1,728,200	753,948	7,581,458	3,815,000	3,562,000	29,694,800	45,407,206
Southwest	36,054,160	1,381,497	514,363	423,754	633,082	633,386	18,662,717	20,867,302
West	0	0	0	0	0	0	63,000	63,000
Total Parks, Recreation and Culture	43,822,057	14,018,025	6,252,833	21,418,897	20,565,290	17,439,902	155,913,479	221,590,401
Public Utilities								
All Area	55,947,942	19,695,690	31,201,600	45,822,100	46,399,600	46,504,600	35,968,600	205,896,500
Central City	17,048,000	2,953,000	1,845,000	2,189,000	1,150,000	1,000,000	1,000,000	7,184,000
East	9,493,380	3,780,714	7,232,300	10,919,000	6,568,000	9,145,000	8,586,000	42,450,300
North	129,459,358	8,239,972	3,062,202	2,483,000	3,653,000	10,051,500	7,843,224	27,092,926
Northeast	13,968,663	5,927,413	16,052,649	10,442,222	7,855,000	8,221,182	4,105,117	46,676,170
Northwest	27,218,044	13,018,515	61,441,053	80,373,295	70,682,795	53,835,970	38,401,000	304,734,113
South	1,320,551	700,000	700,000	700,000	700,000	700,000	300,000	3,100,000
Southeast	7,741,535	18,726,296	7,135,490	5,205,290	4,465,000	14,781,700	22,519,500	54,106,980
Southwest	3,731,889	8,112,928	5,318,727	1,044,104	274,800	337,100	1,536,600	8,511,331
West	480,760	1,548,770	651,230	3,070,000	6,150,500	3,905,464	310,286	14,087,480
Total Public Utilities	266,410,122	82,703,298	134,640,251	162,248,011	147,898,695	148,482,516	120,570,327	713,839,800
Community Development & Services								
All Area	15,133,100	3,100,000	2,249,161	569,604	583,962	378,552	389,781	4,171,060
Central City	0	166,000	225,000	225,000	225,000	225,000	30,225,000	31,125,000
North	0	0	0	0	2,704,000	0	0	2,704,000
Total Community Development & Ser-	15,133,100	3,266,000	2,474,161	794,604	3,512,962	603,552	30,614,781	38,000,060
Transportation and Parking								
All Area	1,055,969	1,155,263	1,618,570	1,461,932	1,129,862	2,872,883	1,885,124	8,968,371
Central City	1,493,218	3,394,171	5,199,113	2,351,568	2,737,284	2,625,494	2,680,568	15,594,027
North	4,097,296	17,802,372	8,578,146	760,872	161,568	1,420,388	0	10,920,974
Northeast	596,804	3,913,024	6,777,270	4,072,545	29,836,974	9,034,326	779	49,721,894
Northwest	450,000	518,404	1,813,045	1,836,656	616,008	427,550	400,000	5,093,259
South	0	0	50,000	0	0	0	0	50,000
Southeast	2,343,372	2,268,243	8,999,130	10,930,698	4,980,232	3,809,019	2,764,286	31,483,365
Southwest	1,390,264	1,822,715	6,300,725	833,384	4,017,508	5,481,472	1,198,684	17,831,773
West	93,291	172,720	69,372	0	0	0	0	69,372
Total Transportation and Parking	11,520,214	31,046,912	39,405,371	22,247,655	43,479,436	25,671,132	8,929,441	139,733,035
Legislative, Administrative & Support Svcs								
Central City	1,960,252	10,052,932	2,745,106	1,651,667	3,669,666	1,986,000	1,814,000	11,866,439
North	0	0	177,000	166,000	38,000	0	25,000	406,000

	Revised		Adopted	Capital Plan				
	Prior Years	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	5-Year Total
Southeast	0	0	0	65,000	127,000	0	35,000	227,000
Total Legislative, Administrative & Sup-	1,960,252	10,052,932	2,922,106	1,882,667	3,834,666	1,986,000	1,874,000	12,499,439
Total City Capital Plan	\$347,547,346	\$153,135,668	\$202,027,640	\$246,788,252	\$284,283,717	\$258,047,770	\$337,864,948	\$1,329,012,325

OPERATING & MAINTENANCE – TABLE 8

This table summarizes estimated net operating and maintenance costs or savings for bureaus within each service area.

Service Area Fund Group	Revised		Adopted	Capital Plan				5-Year Total
	Prior Years	FY 2001-02	FY 2002-03	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	
Public Safety								
Bureau of General Services		0	0	38,000	733,982	741,482	2,655,306	4,168,770
Total Public Safety			0	38,000	733,982	741,482	2,655,306	4,168,770
Parks, Recreation and Culture								
Bureau of Parks and Recreation		37,343	37,343	315,750	314,350	715,430	1,038,300	2,421,173
Total Parks, Recreation and Culture			37,343	315,750	314,350	715,430	1,038,300	2,421,173
Public Utilities								
Bureau of Environmental Services		80,000	80,000	131,000	164,000	217,000	367,275	959,275
Bureau of Water Works		100,000	100,000	110,000	210,000	230,000	230,000	880,000
Total Public Utilities			180,000	241,000	374,000	447,000	597,275	1,839,275
Transportation and Parking								
Office of Transportation		51,248	51,248	51,248	51,248	51,248	51,248	256,240
Total Transportation and Parking			51,248	51,248	51,248	51,248	51,248	256,240
Total Total Net O&M Costs	\$	\$	\$ 268,591	\$ 645,998	\$ 1,473,580	\$ 1,955,160	\$ 4,342,129	\$ 8,685,458



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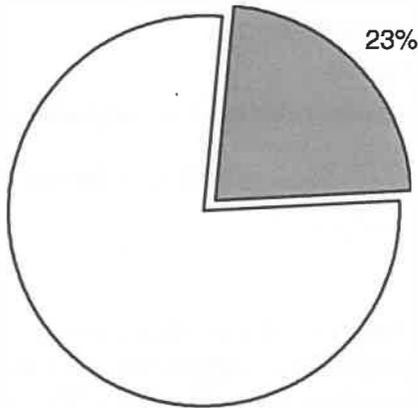


Public Safety

Bureau of Police
Bureau of Fire, Rescue and Emergency Services

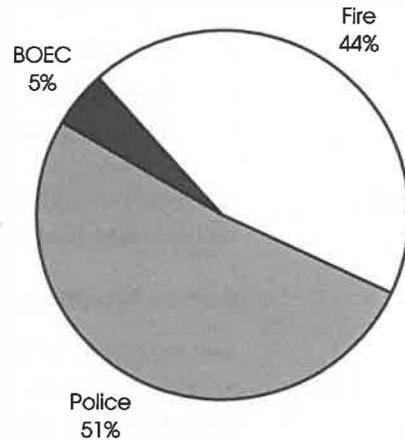
Bureau of Emergency Communications
Fire & Police Disability & Retirement

Percent of City Budget
Public Safety = \$317.3 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	266,707,625	273,817,701	7,110,076	-2.9%
Capital	1,847,091	1,075,000	-772,091	-45.0%
Allocated Overhead Costs	4,684,363	5,115,687	431,324	3.3%
Total Cost with Allocated Overhead	\$ 273,239,079	\$ 280,008,388	\$ 6,769,309	-3.1%
Authorized Full-Time Positions	2,138	2,127	-11	-5.9%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Public Safety Service Area includes services provided by the Police Bureau, Fire Bureau, and the Bureau of Emergency Communications. Also included in the service area are the Fire and Police Disability and Retirement funds.

MAJOR THEMES

The Mayor's Adopted Budget minimizes reduction in Police, Fire and Emergency Communications.

- ◆ Reductions in Police and Fire are limited to 2.85%
- ◆ Emergency Communications is reduced by 7%
- ◆ The Portland Office of Emergency Management continues at full funding.

Police Bureau

A number of significant operational and funding changes to the Police Bureau are incorporated into the Adopted Budget.

Service Modifications

The reduction of \$2.4 million in the bureau's budget will have a major impact on its ability to deliver services. Revenues and efficiencies, while an important part of the solution, cannot alone produce the savings necessary to address this budget crisis. The bureau will continue to maintain significant vacancies in positions, for both sworn and civilian staff.

Reductions to the Four Major Program Areas: \$2,421,408

The necessary revenue enhancements or service reductions will affect the bureau's four major programs as follows:

- ◆ Neighborhood Policing Services \$508,039
- ◆ Support Services \$1,336,602
- ◆ Investigative Services \$277,694
- ◆ Crime Interdiction Services \$299,073

Decision Packages

Revenue Enhancements: \$1,045,180: The Mayor's Adopted Budget will generate revenue associated with the following budget decision packages:

- ◆ False Alarm fees - \$289,000
- ◆ Alarm permits - \$570,000
- ◆ Cost recovery for fingerprinting - \$3,300
- ◆ Cost recovery for training - \$50,000
- ◆ PPDS revenue - \$121,409
- ◆ Women Strength program revenue - \$11,471

Efficiency Proposals/Program Reduction: \$1,433,585: The Mayor's Adopted Budget will produce efficiency proposals and program reduction associated with the following budget decision packages:

- ◆ Non-Sworn Hiring Freeze - \$920,004
- ◆ Police Officer Vacancies - \$325,429
- ◆ Fleet Pool for Support Staff - \$15,784
- ◆ Justice Center - Hot Water - \$1,000
- ◆ Police Desk Clerk Program - \$171,368

Fire Bureau

Current Service Level Budget Reductions

Portland Fire & Rescue (PF&R) will be reducing its budget by \$1,822,408 in the FY 2002-03 Adopted Budget.

Developing cuts was extremely difficult for the Core Leadership Team, as PF&R has already made significant cuts totaling \$2,137,526 for FY 2001-02. Coupled with the extensive budget cuts PF&R has made over the past five years, these reductions will leave support resources at a minimum and direct services significantly reduced.

In the Adopted Budget for FY 2002-03, PF&R is eliminating the following:

- ◆ Supportive Employment Program - (\$8,500)
- ◆ Interagency with F&PD&R for EAP Program -- (\$16,125)
- ◆ *Communications Interagency* -- (\$30,000)
- ◆ *BOEC Fire Liaisons* - (\$206,000)
- ◆ *EMS Training Specialist* - (\$77,318)
- ◆ *Truck ALS Elimination* - (\$158,582)
- ◆ *Professional Services Funds* - (\$30,000)
- ◆ *Public Assembly (reduce 1 FTE)* - (\$74,112)
- ◆ *Truck 3 Inspectors - (reduce by 2, retain 1)* - (\$148,224)
- ◆ *Office Support Specialist I (OSSI) elimination* - (\$44,403)
- ◆ *Materials and Services reductions in Prevention* - (\$50,000)

Bureau of Emergency Communications

Budget Reductions

The FY 2002-03 Adopted Budget for BOEC responds to the overall City funding challenges. BOEC has received reduced funding of about \$477,000 from last year's Adopted Budget. BOEC reduced its personnel services costs by \$477,000 through a reduction of overtime from \$806,000 to \$329,000 to reflect a more efficient process to determine staffing requirements and shift schedules for 9-1-1 emergency operators.

Fire and Police Disability and Retirement Fund

Funded Pension System

The Fire and Police Disability and Retirement Fund continues to explore the possibility of becoming a fully-funded pension plan. The current system relies on a tax levy authorized in 1948 which provides up to \$2.80 per \$1,000 assessed value on property in the city.



Bureau of Police

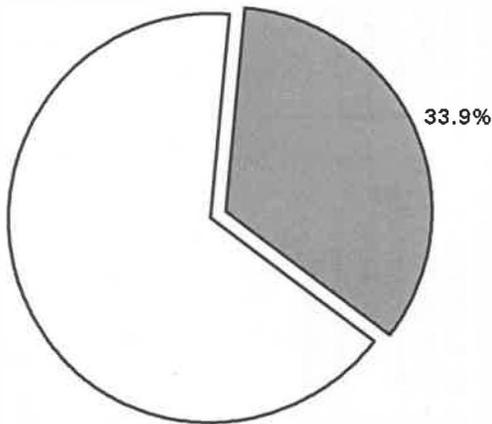
Public Safety Service Area

Mayor Vera Katz, Commissioner-in-Charge

Mark Kroeker, Chief of Police

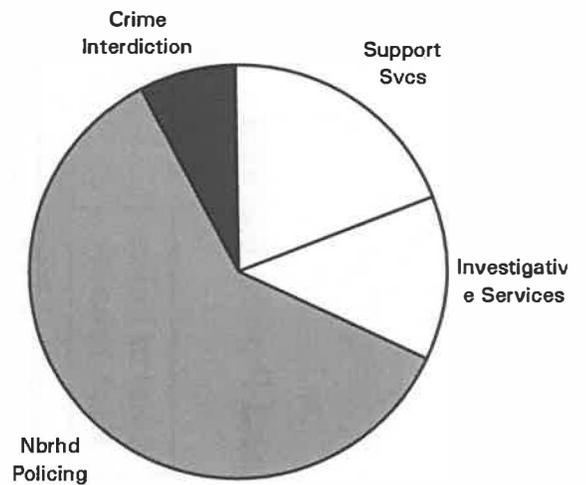
Percent of General Fund

Police = \$123.9 Million



General Fund = \$365.5 Million

Bureau Programs

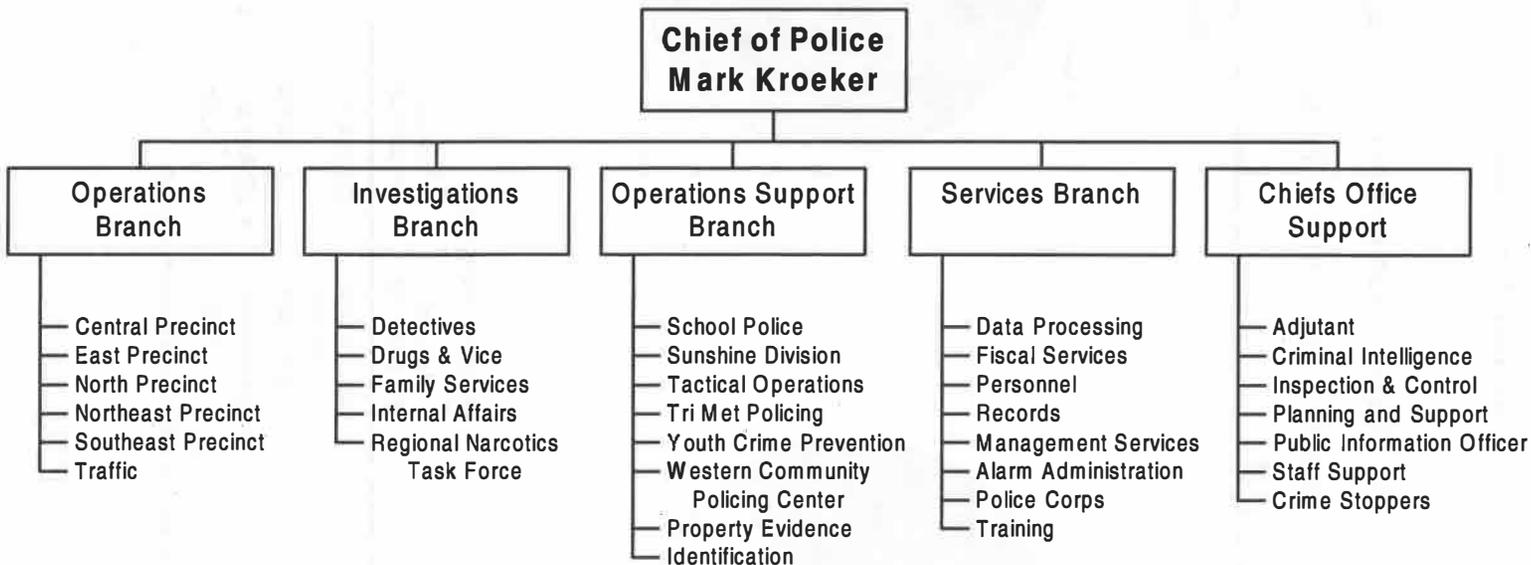


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	122,286,626	123,944,423	1,657,797	-4.2%
Capital	35,000	0	-35,000	-100.0%
Allocated Overhead Costs	3,322,053	3,676,548	354,495	4.6%
Total Cost with Allocated Overhead	\$ 125,643,679	\$ 127,620,971	\$ 1,977,292	-4.0%
Authorized Full-Time Positions	1,284	1,284	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Portland Police Bureau



Bureau Summary

BUREAU MISSION

The mission of the Portland Police Bureau is to maintain and improve community livability by working with all citizens to preserve life, maintain human rights, protect property and promote individual responsibility and community commitment.

VISION AND VALUES

Community Policing Vision

The vision for the Portland Police Bureau is a city free from crime and the fear of crime, where people and police work together to improve their neighborhoods. The Portland Police Bureau is a first-rate law enforcement organization, where solid values are deeply imbedded; and where members work with the latest technology and facilities. Employees are led by well-trained, attentive first-line supervisors and supported by community members, support staff, and work systems designed to enhance their effectiveness.

Vision: a city free from crime and the fear of crime, where people and police work together to improve their neighborhoods.

All of our work is directed by clearly stated goals set out in a fully endorsed strategic plan. The organization is diversified at all levels, with respect for all people. Employees and community members are proud of the organization and committed to continuous improvement.

This vision for community policing recognizes a shared responsibility and connection between the police and community in making Portland a safer, more livable city. This vision relies on a problem solving partnership between citizens and police. These partners jointly identify community safety issues, determine resources, and apply innovative strategies designed to create and sustain healthy, vital neighborhoods.

Community Policing Values

The values of the Portland Police Bureau are commitments to the community that are rooted in the cornerstones of the bureau and reflect the mission statement:

- ◆ Service
- ◆ Compassion
- ◆ Integrity
- ◆ Excellence
- ◆ Respect

Cornerstones

These cornerstones of the bureau were adopted in 1990, and reaffirmed in subsequent strategic plans as values. Renamed "cornerstones" in the *2000-2002 Community Policing Strategic Plan*, they continue to reflect the core internal principles that guide decision-making in the agency at all levels:

- ◆ **Service Orientation:** Provide supportive, professional service to the community and to employees by promoting human rights, mutual respect, and courtesy.
- ◆ **Partnership:** Work in partnership with the community, City Council, other bureaus, service agencies, and the criminal justice system.
- ◆ **Empowerment:** Encourage decision making at all levels, and promote citizen responsibility and involvement.

- ◆ **Problem Solving:** Use problem solving methods to reduce the incidence and fear of crime and to improve internal operations.
- ◆ **Accountability:** Promote responsibility among Bureau management, employees, the community, the City Council, and other agencies for public safety resources, strategies, and outcomes.

BUREAU OVERVIEW

Organizational Description

The bureau is managed and directed by the Chief of Police, three Assistant Chiefs of Police, and the Director of Services. The bureau is comprised of the Chief's Office and four branches: Operations, Investigations, Operations Support, and Services.

Chief's Office

The Chief's Office includes the Chief's staff, Public Information Office, Criminal Intelligence, Inspection and Control, Mayor's Security, and Planning and Support. Criminal Intelligence provides analysis regarding potential criminal activities and dignitary protection. Inspection and Control ensures uniformity of policy and accountability throughout the bureau.

The bureau is comprised of the Chief's Office and four branches: Operations, Investigations, Operations Support, and Services.

Operations Branch

The Operations Branch is comprised of the five precincts and the Traffic Division. This branch provides neighborhood policing services to help reduce crime and the fear of crime.

Investigations Branch

The Investigations Branch includes the Divisions of Detectives, Drugs and Vice, Internal Affairs, Regional Narcotics Task Force, and Family Services.

The Family Services Division investigates child abuse and domestic violence, and provides support services in these areas.

Operations Support Branch

The Operations Support Branch includes the divisions of Identification, Property Evidence, Tactical Operations, Tri-Met, School Police, Sunshine, and Youth Crime Prevention.

The Tactical Operations Division includes the SERT, Explosives Disposal, YGAT, and GET Units. These units respond to emergency and tactical situations. The Property Evidence Division provides care, custody, and control of evidence collected during investigations.

Services Branch

The Services Branch provides essential support services to the other three branches. The branch consists of the divisions of Training, Police Corps, Records, Data Processing, Management Services, Personnel, Fiscal Services, and Alarm Administration.

The Training Division conducts recruit officer, in-service, and advanced training, as well as the Citizens Academy. The federally-funded Police Corps Program recruits new officers by providing participants with federal assistance for college.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Overview

The vision of the Police Bureau is of a Portland free from crime and the fear of crime. After four years of decrease, Part I crimes increased 5% from 2000 to 2001 and continue to increase during the first quarter of 2002. Dispatched calls have continued to increase.

September 11, 2001

The tragic events of September 11 impacted operations throughout the bureau. The resulting need for enhanced security operations and additional investigative resources caused a substantial increase in overtime and related expenditures, totaling over \$345,000.

School Police

The bureau assumed responsibility for the Portland Public Schools Police on November 1, 2001. The program has been expanded to incorporate the assignment of school resource officers in high schools and feeder schools.

The bureau's cost to administer the School Police Program is estimated to be in the range of \$1,312,257 in FY 2001-02 and \$1,432,121 in FY 2002-03. The COPS in Schools grant will generate federal funds to mitigate total program costs, leaving the bureau to absorb approximately \$784,000 in FY 2002-2003.

Mounted Patrol

During this past year the bureau opened its new Mounted Police Unit (MPU) facility on NW Front Avenue. This state of the art facility ensures the proper care and training of horses, while locating MPU in close proximity to the majority of its work assignments. Total project cost is \$2.8 million for the first-ever permanent MPU facility.

SUMMARY OF BUDGET DECISIONS

The most significant changes from FY 2001-02 to the Adopted Budget for FY 2002-03 are the bureau-wide reduction of the desk clerk program and the continuation of vacancies in sworn and non-sworn positions. This will require the bureau to redesign its delivery of service to reduce the impact of program cuts on the community.

Service Modifications

The reduction of \$2.4 million in the bureau's budget will have a major impact on the bureau's ability to deliver services. Revenues and efficiencies, while an important part of the solution, cannot alone produce the savings necessary to address this budget crisis. The bureau will continue to maintain significant vacancies in positions, for both sworn and civilian staff.

Reductions to the Four Major Program Areas: \$2,421,408

The necessary revenue enhancements or service reductions will affect the bureau's four major programs as follows:

- ◆ Neighborhood Policing Services \$508,039
- ◆ Support Services \$1,336,602
- ◆ Investigative Services \$277,694
- ◆ Crime Interdiction Services \$299,073

Decision Packages Revenue Enhancements: \$1,045,180

The Adopted Budget will generate revenue associated with the following budget decision packages:

- ◆ False Alarm Fees - \$289,000
- ◆ Alarm Permits - \$570,000
- ◆ Cost recovery for fingerprinting - \$3,300
- ◆ Cost recovery for training - \$50,000
- ◆ PPDS Revenue - \$121,409
- ◆ Women Strength Program Revenue - \$11,471

Efficiency Proposals/Program Reduction: \$1,433,585

The Adopted Budget will produce efficiencies and program reductions associated with the following budget decision packages:

- ◆ Non-Sworn Hiring Freeze - \$1,091,372
- ◆ Police Officer Vacancies - \$325,429
- ◆ Fleet Pool for Support Staff - \$15,784
- ◆ Justice Center - Hot Water - \$1,000

FUNDING SOURCES

General Fund Allocation

The Adopted Budget for the Police Bureau totals \$123,944,423, of which \$110,329,738 is supported by General Fund discretionary resources.

Grant Funding

Resources available to the Police Bureau in FY 2002-03 include \$4.5 million in grant funding. The major grant awards are Bureau of Justice Assistance Block 2000 (\$1.5 million), the COPS More 1998 (\$1.6 million), and COPS in Schools (\$375,000).

The COPS Universal Hiring grant expired October 31, 2001, the Police Bureau's maintenance of effort is underway and will expire June 30, 2003. The City Council set aside ongoing funding for these positions in FY 2001-02. The FY 2001-02 Adopted Budget added 60 officers to the bureau's authorized strength at the expiration of the grant period.

Bureau Program Revenue

The bureau forecasts \$9 million in bureau revenue. This is an 18% increase from to the FY 2001-02 Revised Budget.

The Adopted Budget reflects increased revenue for the False Alarm Program. Another major source of program revenue is the reimbursement for Tri-Met security services of \$2.9 million.

BUDGET NOTES

Police Bureau Budget

The Police Bureau, working with the Bureau of Financial Planning and the Mayor's Office shall re-examine the level of funding for the organization. The Bureau will report to the Mayor and Council on options and plans for achieving a sustainable budget including what services will be delivered. This report will be completed and delivered to Council by November 1, 2002.

As part of this study the Bureau, with assistance from BFP, shall review existing financial and other support systems including deployment and overtime control systems. The Bureau will produce a report and if warranted, make recommendations to the Mayor and Council concerning system changes.

Strategic Direction

SIGNIFICANT ISSUES

SIGNIFICANT ISSUES

The bureau faces substantial programmatic reductions and position vacancies due to the current economic downturn. The Adopted Budget includes revenue enhancements and efficiency proposals to help mitigate further cuts to vital programs. Revenue enhancements include a new False Alarm Fee and an increase in the existing Alarm Permit Fee. Efficiency proposals include the creation of a fleet pool for staff vehicles. The bureau will also keep authorized positions vacant in the hope that an upturn in the economy will enable the Bureau to return to full staffing of both sworn and non-sworn positions.

The significant issues for the Portland Police Bureau in the Adopted Budget for FY 2002-03 are:

- ◆ Desk Clerk Program service reduction throughout the bureau
- ◆ Continuation of sworn and non-sworn vacancies
- ◆ Impact on federal grant requirements
- ◆ Potential demotions and layoffs due to City-wide shortfall

In the FY 2001-02 Fall budget monitoring process, the bureau presented cuts to achieve a 1.6% reduction, its share of an estimated City shortfall of \$4 million. Actual mid-year cuts totaled \$856,633. This was achieved through increases in program revenues, suspension of hiring sworn and non-sworn positions, and a decrease in materials and services. This responsibility is carried over into the bureau's budget for FY 2002-03.

Federal Grants

Significant decreases in staffing levels may jeopardize current and future grant funding. This could result in an even greater reduction than the \$2.4 million realized in this budget.

School Police

The bureau will absorb \$784,000 in unfunded costs for the School Police Program in FY 2002-03.

MANAGEMENT GOALS & OBJECTIVES

Goals and Objectives for 2002-03

Community goals

1. Reduce crime and the fear of crime.
2. Improve the quality of life in neighborhoods.
3. Improve the community and police partnership.

Organizational goals

4. Develop and encourage personnel.
5. Obtain and make effective use of technology and equipment.
6. Continuously improve work processes.

COUNCIL PRIORITIES

- Future Focus** The Portland Police Bureau is a primary partner in implementing the Future Focus Public Safety Action Plan. Since 1990, the Police Bureau has developed new and innovative programs and efforts to support Future Focus objectives. These include the following:
- ◆ Neighborhood Liaison/and Senior Neighborhood Officer program
 - ◆ Targeted investigations
 - ◆ Crisis intervention teams
 - ◆ Precinct traffic enforcement missions
 - ◆ Expansion to five precincts
 - ◆ Citizens Academy
 - ◆ Mobile precinct
 - ◆ Strategic planning
 - ◆ Community and internal assessments.
- Portland/Multnomah Benchmarks** Using benchmarks to measure the achievement of Future Focus strategy goals, the Police Bureau has assumed a lead role in addressing the following benchmarks:
- ◆ Increase the percentage of citizens who feel safe walking alone in their neighborhood day and night.
 - ◆ Decrease the number of reported crimes against people and property per 1,000 people.
 - ◆ Decrease the number of burglaries.
- 2000 Priorities** City Council priorities for public safety are:
- ◆ Reducing Child Abuse.
 - ◆ Reducing Domestic Violence.
 - ◆ Stopping Youth Gun Violence.
 - ◆ Implementing Institute for Law and Justice recommendations.

Overview of Programs

NEIGHBORHOOD POLICING SERVICES

Precincts

The mission of the Portland Police Bureau's precincts is to maintain and improve community livability by working with all citizens to preserve life, maintain human rights, protect property, and promote individual responsibility and community commitment.

The Neighborhood Policing Services program includes the bureau's five precincts, their Neighborhood Response Teams (NRT), and Precinct Detective Units. The Auto Theft Task Force, the Crisis Response Team, and School Resource Officers are sections within the precincts created to enhance community services. These are in addition to the Mounted Horse Patrol and Canine Units, which have wide community support. Precincts assign officers to do transient camp clean-up projects using ATV, pedestrian, and Police Bicycle unit enforcement. The precincts conduct information-sharing sessions through the formation of community groups such as the Safety Zone - Cop Talk, Cops Docs & DA's, and East Precinct Youth Advisory Council. The NRT units work closely with the City's Office of Neighborhood Involvement and the precincts' Crime Analysts to identify crime patterns and livability concerns that can be targeted for directed response.

Tri-Met Division

The Tri-Met Division provides contract police services for the Tri-County Metropolitan Transit System (Tri-Met). The role of the Tri-Met Division is to provide the transit district with officers who respond to primary calls in, on, and related to Tri-Met and MAX property and vehicles. The budget for the Tri-Met Division includes intergovernmental agreements with Washington County, Multnomah County Sheriff's Office, and the cities of Gresham, Beaverton, and Milwaukie. The division manages the Rider Advocate Program and Wackenhut Security services.

Traffic Division

The Traffic Division's mission is to maintain and improve community livability and safety through traffic safety education, accident prevention, community-based problem solving, enforcement, investigations, engineering, and support services. The Traffic Division is comprised of traffic enforcement, DUII enforcement, motorcycle officers, PUC, and traffic investigations.

The Enhanced Vehicle Safety Enforcement Program addresses neighborhood livability issues related to traffic concerns.

The Photo Radar Unit deploys two vans and is an automated system designed to reduce speeding within Portland neighborhoods. The Enhanced Vehicle Safety Enforcement Program is a targeted traffic complaint unit which addresses neighborhood livability issues related to traffic concerns. The Traffic Safety Education Unit provides educational programs to Portland area schools, as well as the general public. Topics include seatbelt safety, handicapped parking, bicycle safety and rodeo, school bus violations, etc. The newest project of the Traffic Division is the Red Light Camera program, which is similar to the photo radar program.

Tactical Operations Division/SERT, EDU, MPU, K-9, RRT, and EOC

The mission of the Tactical Operations Division is to support community safety through specialized tactical services, emergency preparedness, and directed enforcement and intervention. The Special Emergency Response Team (SERT) and Explosive Disposal Unit (EDU) focus on the core mission of TOD. In addition, the Mounted Patrol Unit (MPU), Canine Unit (K-9), the Reserve Unit, and the Rapid Response Team (RRT) assist in providing Neighborhood Policing Services. The bureau's Emergency Operations Center (EOC) responsibility is another service provided by TOD.

Sunshine Division The Sunshine Division, which recently celebrated 75 years of community service, is the only charitable organization in the United States directly associated with a police agency. The Police Bureau supports this division by assigning a sergeant to administer the program and provides miscellaneous material and services. The Sunshine Division also contracts with the Police Bureau for its vehicle needs.

INVESTIGATIVE SERVICES

This program includes the divisions of Detectives, Internal Affairs, Family Services, and Forensic Evidence.

Detective Division The Detective Division is divided into two sections: person crimes and property crimes. Services provided by the Persons Crimes Section include major crime scene response, and initial and follow-up investigation of serious felony crimes (homicides, assaults, robbery, sex crimes, bias/hate crimes, and missing persons). The Property Crimes Section is responsible for the investigation of fraud/white collar crime matters, elder fraud and identity theft, computer crimes, special property investigations (pawn shop), and arson. In addition, the Detective Division has a full-time polygraph examiner. The Hostage Negotiations Team is an integral component of the Detective Division. Partnerships have been created with the Multnomah County District Attorney's Office, the Federal Bureau of Investigation Violent Crimes Task Force, and the Bureau of Alcohol, Tobacco, and Firearms by assigning investigative personnel to them. The Detective Division is also the parent division for the Auto Theft Task Force (ATTF), Telephone Report Unit, Information and Referral Unit, Court Services Unit, and the District Attorney Investigations Units.

Family Services Division The Family Services Division consists of the Child Abuse Team, Domestic Violence Reduction Unit, a juvenile section, Elder Crimes Units, and the Crisis Intervention Team. The Child Abuse Team works with a similar unit from Multnomah County, and with area social and medical services agencies to investigate cases of child abuse. This division receives overtime reimbursement from the District Attorney's Office from federal grant funds. The bureau provides an officer for the CARES NW project which works with the victims of child sex assault and abuse cases. Another component is the Women's Strength Program that teaches self-defense classes and personal safety workshops. The Crisis Intervention Team responds to calls involving people with mental illness.

Internal Affairs Division The Internal Affairs Division is responsible for investigations into complaints of police conduct. Additionally, responsibilities include identifying behavior/trends among officers that may erode community trust and confidence. IAD has a role in promoting individual and organizational accountability within the Police Bureau. They also identify policy and training issues to strengthen our police/community relationship and quality of service. Since July 2001, IAD has worked to establish a partnership with the Independent Police Review Division to work jointly in support of the above responsibilities.

Identification Division The Identification Division provides specialized support services to the Portland Police Bureau and other criminal justice agencies by determining the identity of individuals through fingerprints, photos, and evidence obtained from major crime scenes. The Multnomah County Sheriff's Office contracts with the Police Bureau for identification of all arrested subjects, including juveniles, as required by State law. The division provides contract services to other law enforcement agencies including film processing, enhanced

surveillance videos, still photos, and audiotapes. The Integrated Ballistics Identification System (IBIS) and X-Imaging photo systems have made it easier to positively identify people and firearms. The Home Security Locks Program also falls under this division. This program is partially funded by a federal grant through the Bureau of Housing and Community Development.

CRIME INTERDICTION SERVICES

This program is comprised of the Drug and Vice Division, the Criminal Intelligence Unit, the Regional Organized Crime/Narcotics Task Force (ROCN), Gang Enforcement Team (GET), Youth Gun Anti-Violence Task Force, Youth Crime Prevention Division, and the Air Support Unit.

Drugs and Vice Division

Drug house investigations continue to be a primary focus of this Division. Drug enforcement efforts concentrate on mid-to high-level manufacturing and distribution. Drug interdiction efforts have intensified with participation in the Portland Airport Interagency Narcotics Team (PAINT) and the Drug Enforcement Agency (DEA) task force. The vice units activities include special enforcement efforts targeting illegal adult businesses. Another important task is conducting liquor license investigations to insure liquor establishments do not hurt neighborhood quality of life. The Air Support Unit assists in surveillance and patrol operations. There is also a K-9 drug dog/officer team assigned to this division. The forfeiture unit assists all divisions in attempting to remove profit incentives from criminal enterprises.

Tactical Operations Division/Gang Enforcement Team and YGAT

The Gang Enforcement Team (GET) and the Youth Gun Anti-Violence Task Force (YGAT) are components of the Tactical Operation Division. This division spans two different programs because of the street-level activities it performs. GET has a detective section, which involves intelligence gathering, identification of gang members, and investigation of gang-related crimes. GET and YGAT often work independently of the patrol components of the precincts, investigating mid to low level street drug dealers and users. Much of this work involves potential and identified gang members, and often involves armed suspects. Other projects of these units are the gun buy-back programs and the gun show undercover operations.

Youth Crime Prevention Division

The mission of the Youth Crime Prevention Division is to provide education and intervention strategies that support the community safety initiatives of Neighborhood Policing Services. This division is comprised of the Gang Resistance Education And Training (GREAT) program, the Police Cadets, and the Career Academy located at Roosevelt High School.

Criminal Intelligence Unit

The Criminal Intelligence Unit's duties are to create and maintain a sound criminal information base, analyze acquired information on criminal activity, and provide the operational and support units of the Police Bureau with predictive information. It also provides information and personnel support for the protection of dignitaries and persons of special interest.

Regional Organized Crime and Narcotics

The Police Bureau's drug interdiction efforts have intensified through participation in the regional program. The bureau assigns one officer to this task force and receives funding for overtime reimbursement. The bureau presently has a limited-term captain's position assigned to ROCN and is reimbursed for its salary and benefits.

SUPPORT SERVICES

The Support Services program is responsible for providing administrative and management support services to the operational components of the Police Bureau. This program encompasses the Chief's Office, Personnel, Training, Records, Data Processing, Planning and Support, Property Evidence Control, Management Services, and Fiscal Services.

Chief's Office

The Chief's Office is responsible for the overall leadership, management, policy formulation, legal review, and internal control of the Bureau of Police. Members of the Chief's Office also play a role in facilitating multi-cultural advisory committees (Hispanic, Asian, African American, Sexual Minority, and the Chief's Forum). The Chief's Office staff includes three Assistant Chiefs and the Director of Services. Components of the Chief's office also include Crime Stoppers Program, Inspection and Control Unit, staff support, and the Public Information Officer.

Personnel Division

The Personnel Division performs the human resource functions for all members of the bureau. This division is responsible for the recruitment, selection, and hiring of bureau personnel. Personnel also deals with labor relations and contracts, employee relations, discipline and discharge, policy and procedure formulation, personnel records and reports, and employee benefits.

Training Division

The Training Division responsibilities include the training, education, and development of bureau personnel. The division works with new recruits through all stages of initial training, as well as with existing bureau personnel in the development of new skills, procedures, and tactics.

The Training Division is responsible for the bureau's annual in-service training program, the Citizens' Academy, and numerous other bureau-wide training needs. The Police Corps program has enabled the bureau to hire and train qualified college students to become police officers.

Records Division

The Records Division is responsible for all police and auto records. Duties include providing information in compliance with public records law and providing auto releases for towed vehicles. This division is responsible for entering all report data into the Portland Police Data System (PPDS) as well as integrating relevant information from other State and Federal law enforcement data systems.

Data Processing Division

The Data Processing Division is responsible for providing information and assistance to the officers, investigators, and managers of the bureau through the Portland Police Data System (PPDS), local and wide-area networks, and other computerized functions of the Police Bureau. They promote and support PPDS as an effective regional law enforcement system. They are tasked with projecting the future technological needs of the bureau and acquiring technological support for the entire Police Bureau.

Planning and Support Division

The Planning and Support Division provides bureauwide strategic planning, communication support, crime analysis, statistical support, and policy development in accordance with the bureau's goals and objectives. The division develops and maintains the bureau web site, which includes more than 400 topic areas including CrimeMapper. The division develops and conducts an annual review of the agency's 175+ policies and procedures, and publishes

the Manual of Policy and Procedure on the website. Staff in Planning and Support perform a variety of services, including providing technical support to the Crisis Intervention Team, conducting Safety Zone crime prevention classes for adults with developmental disabilities, coordinating an emergency telephone notification system, and managing efforts to increase the number of Neighborhood Watch block captains.

Property/Evidence

The Property/Evidence Division is responsible for receiving, processing, accounting for, and warehousing the property and evidence items received by the Police Bureau and other law enforcement agencies within Multnomah County. Property disposal and vehicle storage are responsibilities of this division.

Management Services

Management Services is comprised of five units: Loss Control, Police Liability, Fleet, Facilities, and Communications. Loss Control manages the safety and health programs for the Police Bureau. This includes the Safety Committee, Collision Review Board, hazardous materials program, OSHA compliance, accident prevention, workplace hazard assessments, and accident trend analysis. The Police Liability Unit works with the Bureau of Risk Management to investigate claims brought against the City and the bureau. The Liability Manager's evaluation and investigation enables the City to properly adjust these claims. The bureau's Services Manager works with the City's vehicle, facilities, and communications service provides to evaluate, test, and order all related equipment. Cost monitoring and product performance evaluations are essential elements of this unit.

Fiscal Services

Fiscal Services coordinates, monitors, and facilitates the annual budget process. It facilitates the acquisition of goods and services following City Code provisions, administrative rules, and accounting procedures. This division processes the bureau's payroll, grants, and contract administration. The division monitors many programs including travel expenses, procurement cards, the "Day Watch" child care program, take-home vehicle fees, tow fees, board-up fees, and badge sales. The division prepares, controls and monitors accounting reports and provides the checks and balances for how and where the Police Bureau spends and receives money.

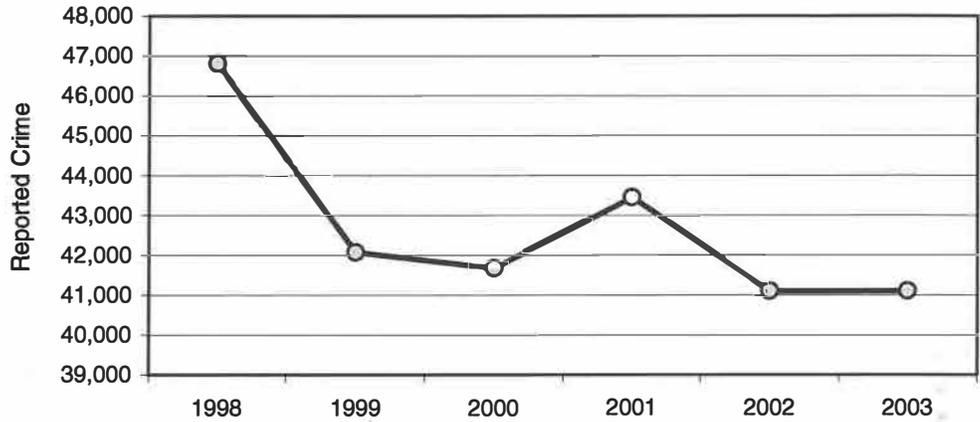
Alarm Administration

The Alarm Administration program governed by the City of Portland Code 14, transitioned from Multnomah County to the Police Bureau on July 1, 2001. The program manages and services alarm permit customers who receive Portland Police response. This transition will facilitate the bureau's management of all elements of Alarm Ordinance Administration including false alarm reduction, outreach, and education efforts.

Performance Measures

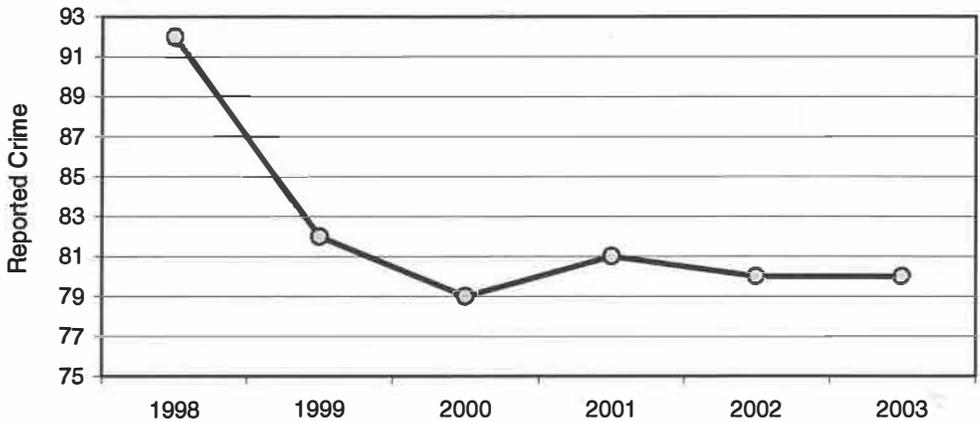
Part 1 (major) Crimes

- ◆ Overall reported crimes have decreased since 1997 with an increase in 2001.
- ◆ Reductions have continued in both reported aggravated assault and burglary.
- ◆ The number of murders in 2000 was the lowest since 1972. Data supplied by Planning & Support



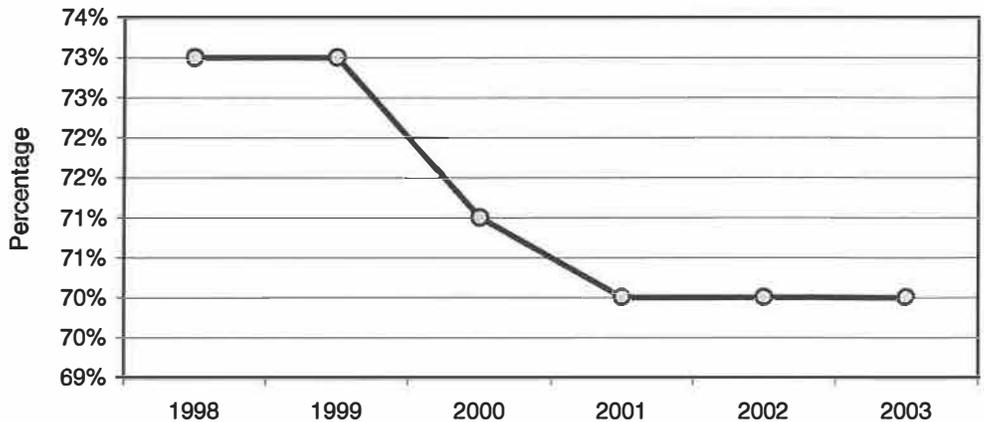
Part 1 Crimes per 1000 population

- ◆ Reported serious crimes per 1000 citizens continued to decrease. In 1999 and 2000, reported crimes per 1000 citizens have been the lowest in three decades.
- ◆ Data supplied by Planning & Support



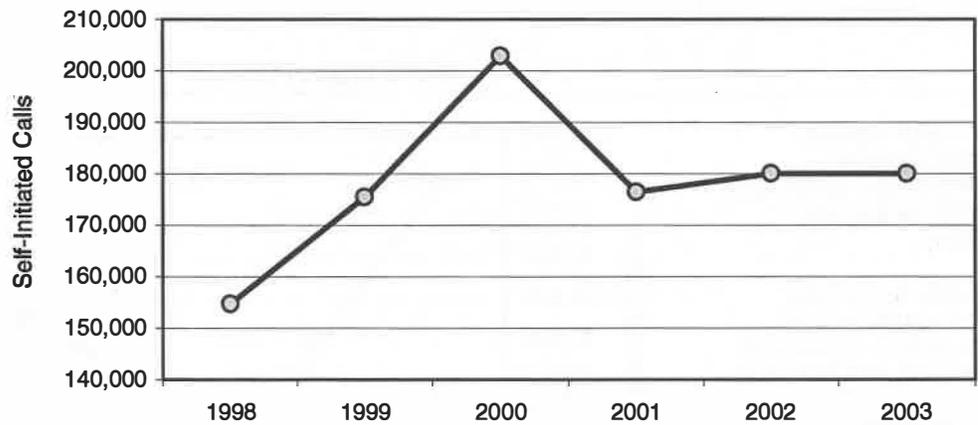
Citizens Rating Service as Good or Better

- ◆ The percentage of citizens rating police services good or better has stayed within four percentage points of 70% since 1993.
- ◆ Data supplied by Planning & Support

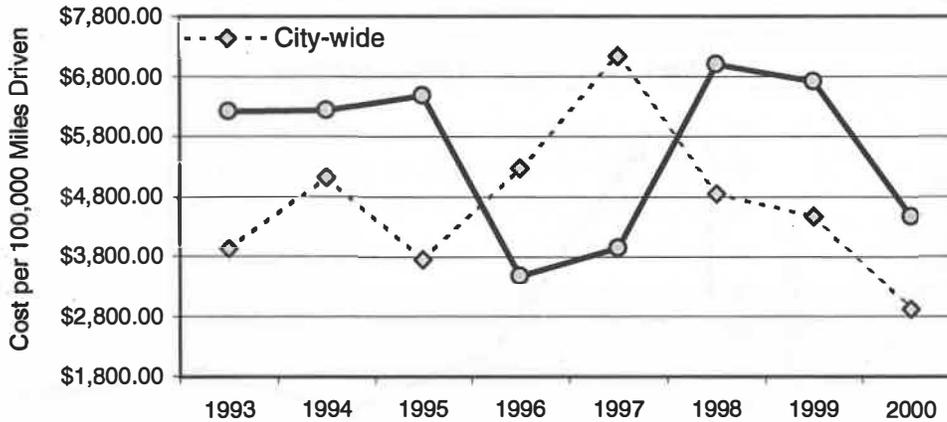


Self-Initiated Calls for Service

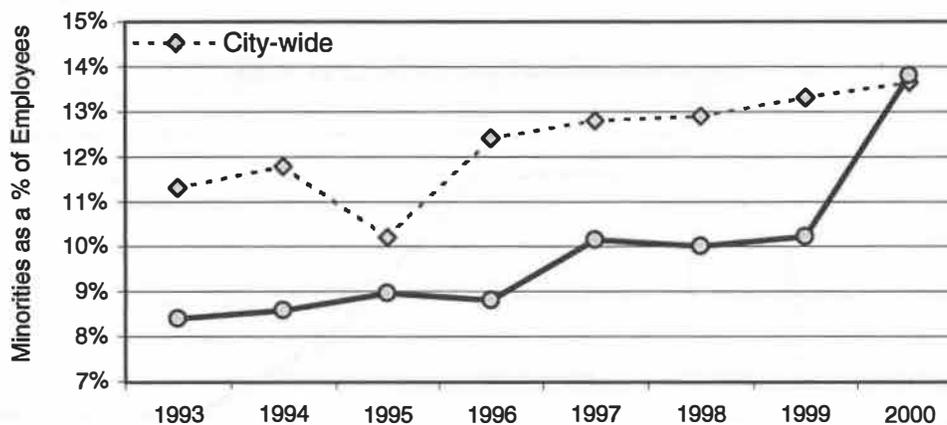
◆ Self-Initiated calls steadily increase from 1995 through 2000. There was a decrease in 2001 however.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



Bureau of Police AU 100

PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF POLICE						
Affirmative Action Measures						
Affirmative Action - Minority	10.4%	10.7%	10.8%	10.9%	11.1%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	28.9%	27.9%	28.4%	26.7%	26.4%	
Female Employees as a Percent of Total						
Bureau of Police						
Risk Data						
General Liability Claims per 200,000 Hours Worked	13.86	15.49	13.85	13.50		
Worker's Comp Claims per 200,000 Hours Worked	6.36	8.49	3.23	3.04		
Fleet Claims per 100,000 Miles Driven	1.06	1.11	1.17	1.24		
Fleet Claims Cost per 100,000 Miles Driven	\$3,949	\$6,992	\$6,710	\$4,470		
General Liability Claims Cost per \$100 Payroll	\$2.15	\$2.68	\$1.05	\$1.24		
Worker's Comp Claims Cost per \$100 Payroll	\$1.17	\$1.39	\$0.33	\$0.14		
Neighborhood Policing Services						
Workload						
Average number of Cars on Patrol, Shift Time 0000-0359		70	73	70	70	70
Average Number of Cars on Patrol, Shift Time: 0400-0759		45	45	44	44	44
Average Number of Cars on Patrol, Shift Time: 0800-1159		56	60	59	59	59
Average Number of Cars on Patrol, Shift Time: 1200-1559		60	62	60	60	60
Average Number of Cars on Patrol, Shift Time: 1600-1959		66	68	69	69	69
Average Number of Cars on Patrol, Shift Time: 2000-2359		86	90	86	86	86
Part 1 (major) Crimes	46,788	42,071	41,662	43,438	41,100	41,100
Incidents Dispatched	246,567	228,293	230,740	243,861	231,000	231,000
Self-Initiated Calls for Service	154,734	175,459	202,811	176,363	180,000	180,000
Part 2 Crimes	45,007	44,400	50,511	44,400	44,400	44,400
Telephone Reports	54,652	51,981	48,433	44,840	45,000	45,000
Effectiveness						
Citizens rating service as good or better	73%	73%	71%	70%	70%	70%
Part 1 Crimes per 1000 population - persons	13	12	11	8	10	10
Average time available for self-initiated activity and problem solving	37%	39%	38%	38%	38%	38%
Part 1 Crimes per 1000 population - property	79	70	68	73	70	70
Part 1 Crimes per 1000 population - total	92	82	79	81	80	80
Citizens who feel safe walking alone in their neighborhood - nights	49%	48%	51%	53%	51%	51%
Efficiency						
Burglary victimization rate	5%	5%	4%	5%	5%	5%
False alarms	24,298	26,003	22,418	26,520	22,500	22,500
Average high priority travel time	5.22	5.10	4.81	4.79	5.00	5.00
Dispatched calls per Officer	434	413	400	410	410	410

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Investigative Services						
Workload						
Major cases assigned for investigation	4,172	3,639	3,563	3,141	3,100	3,100
Crime Interdiction Services						
Workload						
D.A.R.E. number of students	5,000	5,300	5,300	272	500	500
G.R.E.A.T. number of students	4,704	4,121	3,178	1,801	2,000	2,000
Support Services						
Workload						
Report - number of days for requests	20	23	10	13	10	10
Report - number of days into PPDS	45	90	3	68	50	50

Bureau of Police AU 100

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	85,972,495	89,973,017	91,032,508	91,397,956	91,443,842
External Materials and Services	7,669,089	7,700,650	8,729,534	10,767,645	10,767,645
Internal Materials and Services	18,651,973	20,846,570	21,853,054	21,732,936	21,732,936
Minor Capital Outlay	619,269	139,945	318,030	0	0
Equipment Cash Transfers	92,195	238,998	353,500	0	0
Total Operating Budget	113,005,021	118,899,180	122,286,626	123,898,537	123,944,423
Capital Improvements	191,819	7,495	35,000	0	0
TOTAL BUREAU EXPENDITURES	\$ 113,196,840	\$ 118,906,675	\$ 122,321,626	\$ 123,898,537	\$ 123,944,423
Allocated Overhead	3,572,377	3,876,732	3,322,053	3,508,610	3,676,548
Total Cost with Allocated Overhead	116,769,217	122,783,407	125,643,679	127,407,147	127,620,971
RESOURCES					
General Fund Discretionary	97,485,041	103,225,205	108,376,689	110,295,323	110,329,738
Non-Discretionary Revenues					
Grants & Donations	8,873,211	8,829,687	6,550,883	4,565,218	4,565,218
Contract Revenues	3,497,940	3,354,839	3,450,188	3,606,687	3,606,687
Interagency Revenues	137,067	229,505	319,281	711,142	711,142
Program Revenue	3,203,581	3,267,439	3,624,585	4,720,167	4,731,638
Total Non-Discretionary Revenues	15,711,799	15,681,470	13,944,937	13,603,214	13,614,685
TOTAL GENERAL FUND RESOURCES	113,196,840	\$ 118,906,675	\$ 122,321,626	\$ 123,898,537	\$ 123,944,423
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Neighborhood Policing Services	66,835,069	69,287,503	75,115,755	74,548,749	74,548,749
<i>Positions</i>	<i>814</i>	<i>794</i>	<i>830</i>	<i>794</i>	<i>794</i>
Investigative Services	15,008,195	15,305,714	15,052,061	15,849,231	15,895,117
<i>Positions</i>	<i>165</i>	<i>167</i>	<i>167</i>	<i>182</i>	<i>182</i>
Crime Interdiction Services	9,247,975	10,051,828	10,226,699	9,487,378	9,487,378
<i>Positions</i>	<i>94</i>	<i>96</i>	<i>99</i>	<i>94</i>	<i>94</i>
Support Services	22,105,601	24,261,630	21,927,111	24,013,179	24,013,179
<i>Positions</i>	<i>184</i>	<i>192</i>	<i>188</i>	<i>214</i>	<i>214</i>
TOTAL PROGRAMS	\$ 113,196,840	\$ 118,906,675	\$ 122,321,626	\$ 123,898,537	\$ 123,944,423
<i>Positions</i>	<i>1,257</i>	<i>1,249</i>	<i>1,284</i>	<i>1,284</i>	<i>1,284</i>
<i>General Fund Discretionary Positions</i>	<i>1,214</i>	<i>1,202</i>	<i>1,239</i>	<i>1,239</i>	<i>1,239</i>

Bureau of Police AU 100

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	52,553,247	54,172,641	67,488,524	70,725,234	70,758,443
512000 Part-Time Employees	459,340	499,267	3,033,970	1,210,801	1,210,801
514000 Overtime	7,688,168	8,096,603	6,014,919	5,055,773	5,055,773
515000 Premium Pay	1,171,193	1,605,723	1,369,534	986,555	986,555
517000 Benefits	12,211,924	13,065,010	12,377,511	12,671,543	12,684,220
518000 Paid Absence	11,888,623	12,533,773	748,050	748,050	748,050
Total Personnel Services	85,972,495	89,973,017	91,032,508	91,397,956	91,443,842
Materials and Services					
External Materials and Services					
521000 Professional Services	712,850	541,113	993,803	832,581	832,581
522000 Utilities	9,972	13,661	6,303	1,303	1,303
523000 Equipment Rental	30,568	21,763	12,851	20,851	20,851
524000 Repair & Maintenance Services	242,184	156,933	291,146	274,212	274,212
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	3,162,504	2,970,044	2,881,059	5,425,433	5,425,433
531000 Office Supplies	263,264	282,940	250,171	245,171	245,171
532000 Operating Supplies	524,438	674,394	459,414	395,009	395,009
533000 Repair & Maintenance Supplies	31,379	41,475	149,179	35,922	35,922
534000 Minor Equipment & Tools	443,059	717,243	970,780	1,565,780	1,565,780
535000 Clothing & Uniforms	419,521	677,555	573,353	478,871	478,871
539000 Other Commodities External	816,384	523,554	1,441,146	951,227	951,227
541000 Education	285,683	250,341	173,553	141,399	141,399
542000 Local Travel	12,076	7,211	11,106	11,106	11,106
543000 Out-of-Town Travel	347,978	359,303	185,973	89,083	89,083
544000 Space Rental	142,592	256,486	120,916	90,916	90,916
545000 Interest	0	0	0	0	0
546000 Refunds	2,488	281	452	226	226
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	222,149	206,353	208,329	208,555	208,555
Total External Materials and Services	7,669,089	7,700,650	8,729,534	10,767,645	10,767,645
Internal Materials and Services					
551000 Fleet Services	6,167,243	6,068,025	6,092,822	5,636,548	5,636,548
552000 Printing & Distribution	457,375	472,274	516,274	494,258	494,258
553000 Facilities Services	5,325,839	5,372,607	5,071,420	5,148,728	5,148,728
554000 Communications Services	2,694,140	3,051,033	3,054,049	3,240,551	3,240,551
555000 Data Processing Services	659,324	853,400	1,908,944	1,901,043	1,901,043
556000 Insurance	2,254,563	2,945,353	3,076,559	3,351,742	3,351,742
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	200,451	291,184	1,575,390	1,541,454	1,541,454
559000 Other Fund Services	317,345	353,873	358,914	418,612	418,612
Total Internal Materials and Services	18,076,280	19,407,749	21,654,372	21,732,936	21,732,936
Total Materials and Services	25,745,369	27,108,399	30,383,906	32,500,581	32,500,581
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	619,269	139,945	318,030	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	619,269	139,945	318,030	0	0
573000 Equipment Cash Transfers	265,273	238,998	388,500	0	0
576000 Minor Equipment Transfers	594,434	1,446,316	198,682	0	0
TOTAL BUREAU EXPENSES	\$ 113,196,840	\$ 118,906,675	\$ 122,321,626	\$ 123,898,537	\$ 123,944,423

Bureau of Police AU 100

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	1	6	6	241,687	5	198,285	5	198,285
515	Accountant II	0	1	1	47,445	2	90,527	2	90,527
510	Accounting Technician	6	1	1	34,320	1	35,318	1	35,318
819	Administrative Assistant	2	2	2	88,188	2	92,906	2	92,906
815	Administrative Specialist	1	0	0	0	0	0	0	0
920	Administrative Supervisor I	2	2	7	337,364	7	366,477	7	366,477
922	Administrative Supervisor II	6	6	6	336,161	5	292,443	5	292,443
2532	Applications Analyst II	1	1	1	55,255	1	0	1	0
2533	Applications Analyst III	2	2	2	114,816	1	65,624	1	65,624
2534	Applications Analyst IV	1	1	1	67,746	2	137,351	2	137,351
826	Assistant Financial Analyst	1	1	1	43,343	1	50,772	1	50,772
5144	Assistant Police Chief	3	3	3	298,770	3	307,443	3	307,443
962	Assistant Program Specialist	2	3	3	139,111	3	149,282	3	149,282
844	Assistant Risk Specialist	1	2	2	97,492	2	102,321	2	102,321
605	Audio Visual Specialist	1	1	1	56,638	1	58,281	1	58,281
1232	Auto Servicer	5	4	4	147,096	4	151,340	4	151,340
928	Bureau Administrative Manager	3	3	3	227,397	3	237,867	3	237,867
7490	Community Relations Assistant	2	3	3	141,308	3	46,952	3	46,952
7492	Community Relations Specialist	0	1	1	49,088	1	54,213	1	54,213
5185	Crime Prevent Prog Administrator	0	0	0	0	3	0	3	0
5183	Crime Prevention Representative	3	3	3	132,060	0	0	0	0
5175	Criminalist	17	17	17	1,079,849	17	1,111,345	17	1,111,345
5142	Deputy Police Chief	0	0	0	0	1	97,344	1	97,344
400	Evidence Control Specialist	0	8	9	370,412	9	254,214	9	254,214
401	Evidence Control Specialist Lead	0	1	1	46,391	2	136,655	2	136,655
403	Evidence Control Supervisor	0	2	2	94,556	2	97,302	2	97,302
827	Financial Analyst	1	1	1	51,912	1	61,339	1	61,339
3271	Graphics Illustrator II	1	1	1	42,557	1	0	1	0
1255	Home Security Specialist	1	1	0	0	0	0	0	0
610	Human Resources Analyst	1	0	0	0	0	0	0	0
614	Human Resources Coordinator	1	1	0	0	0	0	0	0
2542	Information Systems Analyst II	0	0	0	0	1	59,384	1	59,384
2543	Information Systems Analyst III	1	0	0	0	0	0	0	0
2544	Information Systems Analyst IV	1	3	1	57,720	0	0	0	0
2550	Information Systems Manager	1	1	1	78,645	1	80,932	1	80,932
2546	Information Systems Supervisor	1	1	0	0	0	0	0	0
2522	Information Systems Tech I	1	0	0	0	0	0	0	0
2523	Information Systems Tech II	0	1	1	0	1	46,619	1	46,619
2540	MIS Support Technician	1	0	0	0	0	0	0	0
153	Police Admin Support Spec Lead	0	2	2	79,108	3	122,414	3	122,414
152	Police Admin Support Spec Senior	9	10	11	433,198	14	534,600	14	534,600
151	Police Admin Support Specialist	62	55	51	1,700,673	47	1,463,831	47	1,463,831
5138	Police Captain	11	11	11	926,308	8	718,927	8	718,927
5146	Police Chief	1	1	1	134,805	1	138,715	1	138,715
5140	Police Commander	5	5	5	460,035	8	772,943	8	772,943
149	Police Desk Clerk	51	45	24	711,436	24	560,664	24	560,664
5173	Police Identification Technician	3	2	2	113,068	3	174,531	3	174,531
5172	Police Identification Technician	16	16	17	865,648	16	831,458	16	831,458
1235	Police Impound Technician	0	2	1	39,208	1	40,352	1	40,352
155	Police Info & Referral Specialist	0	4	4	160,314	4	122,424	4	122,424
5189	Police Investigative Accountant	1	1	1	66,581	1	68,515	1	68,515
5137	Police Lieutenant	27	34	34	2,483,815	33	2,572,968	33	2,572,968
5128	Police Officer	690	674	734	38,185,667	734	40,604,352	734	40,604,352
5174	Police Photo Reproduction Spec	2	2	2	113,068	2	116,354	2	116,354
146	Police Records Specialist	58	60	60	1,925,777	60	1,983,199	60	1,983,199
147	Police Records Training Coord	9	9	9	363,852	9	368,500	9	368,500
5134	Police Sergeant	215	215	215	13,411,850	215	14,269,123	215	14,269,123
2545	Principal Info Systems Analyst	1	1	1	72,805	1	75,545	1	75,545
966	Program Coordinator	0	2	2	113,111	3	166,004	3	166,004
970	Program Manager II	2	1	1	66,061	1	67,974	1	67,974
971	Program Manager III	0	1	1	71,358	1	73,663	1	73,663
973	Program Manager V	0	1	1	91,000	1	97,344	1	97,344
964	Program Specialist	4	4	4	206,505	3	169,869	3	169,869
5120	Public Safety Aide	1	1	1	35,443	0	0	0	0
5182	Public Safety Specialist	1	0	0	0	0	0	0	0
816	Senior Administrative Specialist	3	2	2	79,083	3	125,948	3	125,948
1256	Senior Home Security Specialist	1	1	0	0	0	0	0	0
612	Senior Human Resources Analyst	0	1	0	0	0	0	0	0
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0

Bureau of Police AU 100

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
952	Senior Management Analyst	0	0	1	64,646	1	64,646	1	64,646
1217	Stable Attendant	1	1	1	36,774	1	37,835	1	37,835
410	Storekeeper	8	0	0	0	0	0	0	0
409	Storekeeper/Acquisition Spec Lead	1	0	0	0	0	0	0	0
411	Stores Supervisor I	2	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		1,257	1,249	1,284	\$ 67,488,524	1,284	\$ 70,725,234	1,284	\$ 70,758,443

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	125,594,600	0	125,594,600	1,283.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	0	0	0	1.0	Add 1 FTE Previously Omitted by Bureau
	375,000	0	375,000	0.0	PDOT Red Light Camera Revenue
	(6,670)	0	(6,670)	0.0	Reduce I/A with Mayor's Office
	27,000	0	27,000	0.0	Increase Rent Revenue
	8,033	0	8,033	0.0	Increase Grant Xfers and I/A Pmt to ONI
Mayor's Proposed Budget Decisions					
	3,300	0	3,300	0.0	Background/Fingerprint Charge - Agencies
	(3,300)	0	(3,300)	0.0	Reduce GF\$ - Replaced w/ Agency charges
	121,409	0	121,409	0.0	PPDS Access Fees
	(121,409)	0	(121,409)	0.0	Reduce GF\$ - Replaced w/ PPDS Fees
	570,000	0	570,000	0.0	Alarm Permit Fees
	(570,000)	0	(570,000)	0.0	Reduce GF\$ - Replaced w/ Alarm Fees
	0	(289,000)	(289,000)	0.0	False Alarm Service Fee
	0	289,000	289,000	0.0	Reduce GF\$ - Replaced w/ False Alarm Fee
	50,000	0	50,000	0.0	Training Fee Cost Recovery
	(50,000)	0	(50,000)	0.0	Reduce GF\$ - Replaced w/ Training Fee
	(1,000)	0	(1,000)	0.0	Justice Center - Lower Water Temperature
	(15,784)	0	(15,784)	0.0	Fleet Pool for Support Staff
	(882,862)	0	(882,862)	0.0	Tier 1 Non-Sworn Cuts - Vacancy Savings
	(325,429)	0	(325,429)	0.0	Tier 1 Sworn Cuts - Vacancy Savings
	(105,051)	0	(105,051)	0.0	Tier 2 Non-Sworn Cuts - Vacancy Savings
	(103,459)	0	(103,459)	0.0	Tier 3 Non-Sworn Cuts - Vacancy Savings
	(647,383)	0	(647,383)	0.0	OMF Internal Service Cuts (GF Portion)
	(18,458)	0	(18,458)	0.0	OMF BHR Training Reduction (GF Portion)
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	45,886	0	45,886	0.0	Women's Strength Program
	(1,650,177)	0	(1,650,177)	1.0	Total FY 2002-03 Decision Packages
			\$ 123,944,423	1,284.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	177,905	0	177,905	4.0	Photo Radar Expansion
	(100,000)	0	(100,000)	0.0	Flare Reimbursement
	(438,330)	0	(438,330)	0.0	Freeze Fleet Replacement
	(213,475)	0	(213,475)	0.0	Consolidate City/PPB I & R Program
	(552,096)	0	(552,096)	0.0	Tier 2 Sworn Cuts - Vacancy Savings
	(2,755,636)	0	(2,755,636)	0.0	Tier 3 Sworn Cuts - Vacancy Savings
			\$ (3,881,632)	4.0	Total Decision Packages Not Accepted



Bureau of Fire, Rescue and Emergency Services

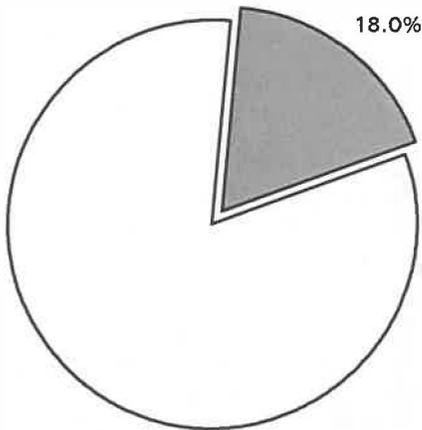
Public Safety Service Area

Erik Sten, Commissioner-in-Charge

Ed Wilson, Fire Chief

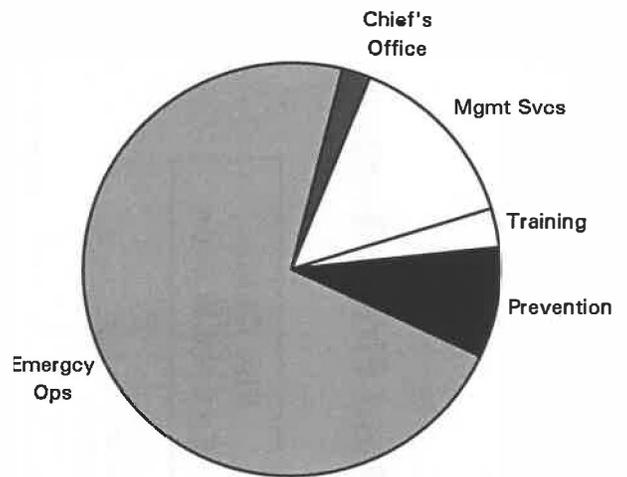
Percent of General Fund

Fire = \$65.7 Million



General Fund = \$365.5 Million

Bureau Programs

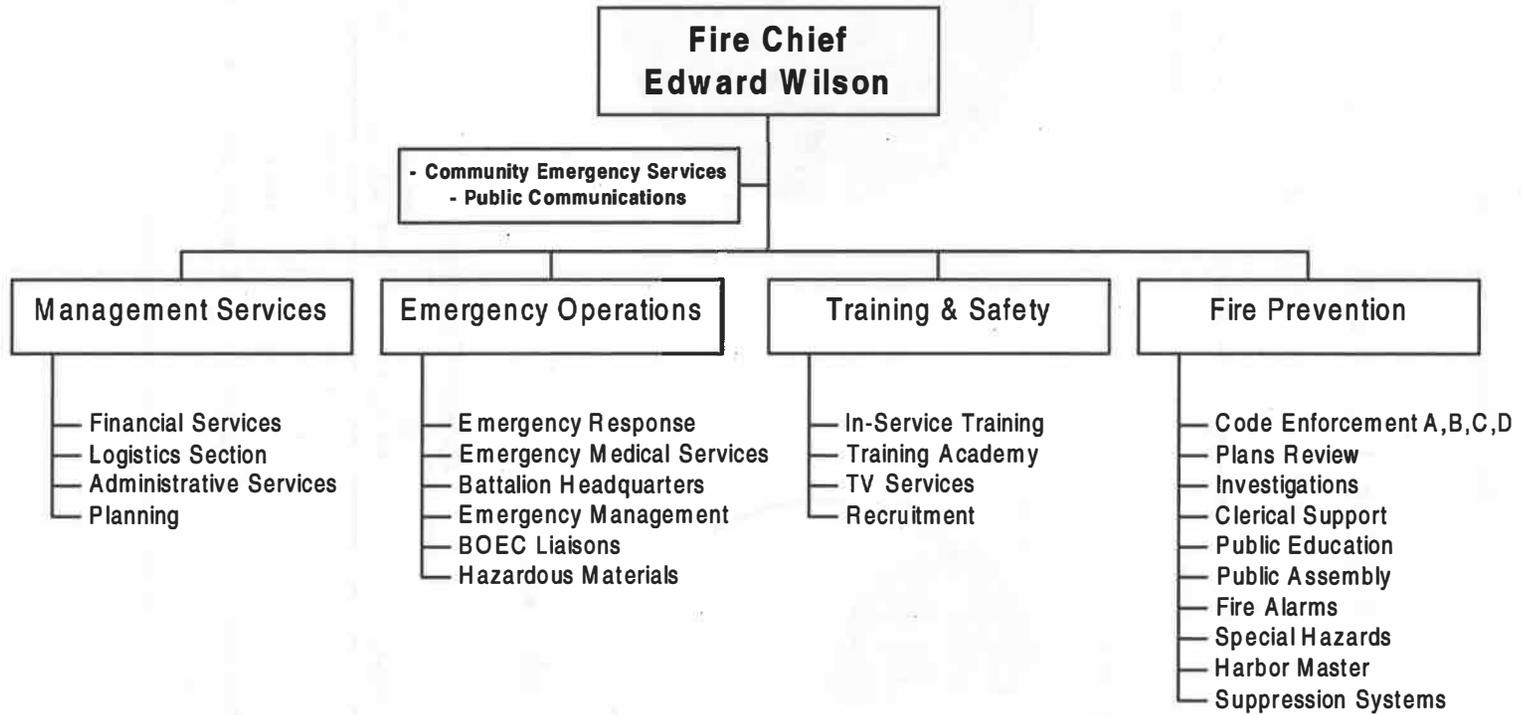


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	63,728,946	64,613,282	884,336	-4.1%
Capital	1,812,091	1,075,000	-737,091	-43.9%
Allocated Overhead Costs	1,084,195	1,132,754	48,559	-1.2%
Total Cost with Allocated Overhead	\$ 66,625,232	\$ 66,821,036	\$ 195,804	-5.2%
Authorized Full-Time Positions	721	710	-11	-6.9%

Note: Per capita change values are adjusted for inflation and population growth.

Portland Fire & Rescue



Bureau Summary

BUREAU MISSION

The mission of Portland Fire and Rescue is to promote a safe environment for all protected areas, to respond to fire, medical and other emergencies, and to provide related services to benefit the public.

Goals

To provide leadership and coordination that encourages Community - Fire and Rescue partnerships that result in City and Fire and Rescue mission and goal accomplishment.

To minimize suffering, loss of life and property from fires, hazardous materials, medical and other emergencies through response programs.

To reduce the frequency and severity of fire, medical and hazardous materials emergencies through prevention efforts such as education, investigations, engineering solutions, code development, enforcement programs and arson prosecution assistance.

To ensure preparedness and safety through training, disaster planning and emergency management programs and to provide all divisions with a high level of planning information and activities.

To manage the resources and support necessary for Portland Fire and Rescue to accomplish its mission.

VISION AND VALUES

Overview

Portland Fire & Rescue has a vision for the future as a result of conducting a comprehensive planning process in 1999. The planning process afforded the organization with an opportunity to solidify its mission and goals, and to establish its values, vision, strategic directions, goals and objectives.

Business Plan

For FY 2002-03, PF&R will continue the implementation of its strategic plan, major initiatives and non-strategic tasks through its annual business plan. PF&R is committed to its FY 2002-03 business plan, and will monitor implementation throughout the fiscal year.

Strategic Directions

As part of the completed FY 2000-05 strategic plan, Portland Fire and Rescue identified five distinct strategic directions:

- ◆ Creatively respond to changing service demands.
- ◆ Promote and nurture relationships with the city neighborhoods and key stakeholder groups outside the bureau.
- ◆ Establish new programs and enhance existing programs to develop staff capacity and resources to their fullest potential.
- ◆ Accelerate efforts to improve internal organizational effectiveness.
- ◆ Demonstrate through words and actions the bureau's commitment to be responsive, respectful and sensitive to community and workforce demographics and values.

BUREAU OVERVIEW

Organizational Description	Portland Fire & Rescue is a multi-faceted organization, with a mission to promote a safe environment for all the citizens of Portland that is accomplished through five programs: the Office of the Fire Chief, Emergency Operations, the Management Services Division which includes the Logistics Section, the Training and Safety Division and the Prevention Division.
Office of the Fire Chief	The Office of the Fire Chief is responsible for the overall management and direction of the bureau, ensuring a safe city for the citizens of Portland.
Emergency Operations	Emergency Operations is the division of PF&R which includes emergency response personnel charged with responding to calls for help due to fire, medical emergencies, marine accidents, special rescues or hazardous material incidents.
Management Services	The Management Services Division provides the support services necessary to operate a 24-hour/ 7-day a week organization. It includes the Logistics Section, Financial Services, Administrative Services and Planning.
Training and Safety Division	The Training and Safety Division ensures that all firefighters have the skill and strength to safely perform their jobs. It includes in-service training, recruitment, new recruit training and general administration.
Prevention Division	The Prevention Division achieves success through fire prevention and education programs, including code enforcement, plans review and fire investigations.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Overview	PF&R is not the same organization it was ten years ago - both philosophically and strategically. There have been ups and downs and many years of budget cutting. PF&R has made every attempt to provide the same high level of customer service to the citizens of Portland, but it has reached a pivotal point in that effort. It is from this point forward that citizens will feel the compounded impact of the budget cuts, and PF&R may no longer be able to meet their expectations.
What do the numbers say?	<p>In order to put it into perspective, the following excerpts from the City's Service Efforts and Accomplishments (SEA) report have been highlighted below:</p> <ul style="list-style-type: none">◆ PF&R operating spending per capita (adjusted for inflation) has decreased more than all other bureaus included in the SEA. In the past five and ten years, the bureau's operating spending per capita has decreased by 8% and 14%, respectively.◆ The number of incidents has increased by over 2,000 since last fiscal year, totaling 59,652. Total run volume has increased by 37% in the past ten years, while medical-only calls have increased by 47% during the same period of time.◆ Over the past five years, the average on-duty emergency staffing has decreased from 167 to 165 per day, while the total number of incidents per on-duty firefighter has increased by 8%.◆ PF&R has 31 on-duty emergency staff per 100,000 population compared to the average of 40 for the six other fire jurisdictions studied in the SEA Report.

- ◆ Emergency Services spending is down 8% from five years ago, while run volume is up 7%.
- ◆ PF&R has dropped further from reaching its response time goals. The percent of time PF&R meets the goal has decreased from last year by 3% for both medical and fire calls; PF&R is meeting response time goals 38% and 40% of the time for fire and medical calls, respectively. This translates to longer response times.
- ◆ There has been an increase in lives lost per 100,000 residents in the past three years.
- ◆ Thanks to Fire Prevention and Public Education efforts, fires per 1,000 residents have declined by 24% over the past ten years; the total number of structural fires has decreased by 30% during the same time period.

Although PF&R has experienced all of this plus real budget cuts totaling \$5.2 million over the past five years, it is still the highest rated City Service among those included in the SEA report.

- ◆ PF&R has a 91% approval rating. This is an increase of 1% over the past five years and 3% over the past ten years.

Although PF&R has made significant cuts over the past several years, it has been successful in the past year in implementing processes and procedures that are more efficient and effective than past practice. PF&R has focused on improving its organization and exceeding customer expectations, despite the limited human and financial resources. The following describes a small sample of the steps PF&R has taken.

Technological Advances for Firefighters

Computer-based training: PF&R's T.V. Services section developed and delivered the first computer-based training program which provided Wildland fire suppression training to all lieutenants, captains and chiefs in the bureau. This type of training is critical to successful operations, such as the operations at the Bluff Fire. By providing computer-based training, this 32-hour class was delivered without taking companies out of service for classroom training and with no overtime costs. A second computer-based training program is now in development.

Paramedics in all Fire stations

Portland Fire & Rescue has successfully implemented a plan to provide paramedic services from each of the 27 fire stations. This means response crews throughout Portland will be able to provide Advanced Life Support (ALS). With ALS, paramedics give life-saving heart medications and perform other medical procedures to help save patients' lives and improve their prognosis. Portland Fire & Rescue is the largest pre-hospital medical care provider in Oregon. *With reductions in the Adopted Budget, four emergency response vehicles will no longer provide ALS.*

Fire & Rescue Bond Implementation

PF&R has made significant progress implementing the Fire Facility Improvement Program funded by general obligation bonds. This program enables seismic retrofitting of existing stations so fire crews can respond even after an earthquake; this program also provides for the construction of new stations, which enables PF&R to provide emergency response strategically throughout the city. FY 2002-03 is year four of the 10-year program and plans are underway for the following:

- ◆ The first new PF&R station will be completed August 2002. Station 12, located at 8655 NE Sandy Boulevard, reflects a successful public/private partnership in which the Central Northeast Neighborhood offices will co-locate with the station. Station 12 will use green building practices by installing an eco-roof on a portion of the structure.
- ◆ Station 16, the second new station, will be completed in October of 2002. Located at the intersection of NW Skyline and Montgomery Roads, it will be a landmark in the Sylvan Village area. This station is the result of collaboration between the Portland citizens and PF&R in both siting and designing the station.
- ◆ Construction begins in the Fall of 2002 for the new Station 9 located at 1710 SE 39th in the Hawthorne district.
- ◆ Station 27, the third new station, will begin construction in October of 2002, with completion targeted for the summer of 2003.
- ◆ In FY 2002-03, remodeling will be completed for Stations 5, 42 and 13. The projects are dispersed geographically to ensure continued operational readiness and will result in a balance of seismically-improved stations across the city.
- ◆ Site acquisition activities will continue in FY 02-03 for a new Station 1, with site selection occurring toward the Fall of 2002. Siting this station will be difficult because of geological/seismic concerns in the station's current Fire Management Area. This station will continue to house Fire's technical and specialty rescue teams.

Limited Duty Policy

As the result of a labor/management collaboration, PF&R has developed a limited-duty policy that includes pregnancy and disabled status. This policy is designed to protect firefighters from the hazards of duty while they recover from injuries or plan their family. The job assignments are temporary and are separate from the use of family leave.

Increasing diversity in the workforce

Since 1993, PF&R has increased the number of sworn women and minorities by 317%.

Marine Services

PF&R's commitment to a clean Willamette River continues through the use of a new boom barge to clean up spills in the river. PF&R also responds to incidents in Vancouver with Boat 17 at the fire station on Hayden Island. Emergency marine responses on the Columbia River include: hazardous spills, shipboard firefighting, special rescue and dive rescue.

Cost Recovery Strides

PF&R has seen an increase in the Prevention Division's cost recovery rate: Since 1995-96 the Prevention Division's cost recovery rate has increased from 30% to 44%. This has been accomplished by implementing and better managing its fee for service programs.

**Streamlined
Prevention Permit
Process**

PF&R now has an automated permit system which has reduced turnaround time to applicants to 3-5 days and allows inspectors to work more efficiently, provided development-related application forms available on City web site, speeding processing time for customers and staff; improved plans review process for customers and staff by participating in Facility Permit program through OPDR, and incorporating fixed systems into the permitting process. This change allows a single inspector to handle all aspects of code review, and reduces the turnaround time for customers from six weeks to one week.

**Partnering to Reduce
Costs**

PF&R and Gresham Fire share in the staffing of Station 45 in East County through an intergovernmental agreement. This innovative arrangement for fire/medical service delivery has forged emergency response ties, and has enabled both entities to provide the same level of service for less.

**Looking for ways to
improve**

Given the magnitude of budget cuts PF&R has taken over the past five to ten years, it has become second nature to look within to discover new ways of conducting business. The following are concepts PF&R may consider in the future:

- ◆ Evaluating the capability of contracting out more services that we currently provide in-house. This option would have to be thoroughly researched, including the requirements and obligations outlined in labor contracts.
- ◆ Implementing handheld technology for inspectors, that will allow them to enter and retrieve data while in the field, reducing the time needed for data management.
- ◆ Reducing overdue accounts by allowing customers to use credit cards for all fee transactions.
- ◆ Investigating e-business opportunities on the PF&R web site.
- ◆ Increasing the use of the Internet for delivery of information and educational materials to the general public and development community.

**Planning for
Catastrophic Events**

The City is more prepared for a catastrophic event than it was ten years ago thanks to the vision and dedication of the Portland Office of Emergency Management (located within PF&R). The City will be able to provide coordinated response to terrorists attacks, mass casualty incidents, natural disasters and other events of great magnitude from the Emergency Operations Center located at the BOEC - 911 Center. This ability is definitely doing business differently, while at the same time preparing the city and its citizens for the worst.

Maximizing Staff Time

PF&R maximizes the use of personnel for training sessions, inter-bureau meetings, and greater alarms by providing lunches or snacks for employees in lieu of stopping for breaks. PF&R also provides meals at occasional award/recognition events to honor employees. These occasions are sometimes unique in nature; however, they afford PF&R alternatives to training personnel, showing staff appreciation, and conducting business in the most effective and efficient manner.

SUMMARY OF BUDGET DECISIONS**Reductions for FY
2002-03**

PF&R will be reducing its budget by \$1,822,408 in the FY 2002-03 Adopted Budget.

Developing the cuts was extremely difficult for the Core Leadership Team, as PF&R made significant cuts totaling \$2,137,526 in FY 2001-02. Coupled with the extensive budget cuts PF&R has made over the past five years, these reductions will leave support resources at a minimum and direct services significantly reduced.

Chief's Office

At the Adopted Budget level, PF&R is eliminating the following from the Chief's Office:

- ◆ *Supportive Employment Program* - This program uses contract employees with disabilities to perform daily clerical assignments in support of various administrative offices. (\$8,500)
- ◆ *Interagency with F&PD&R for EAP Program* -- This reduction will affect the level of coordination PF&R receives for the Employee Assistance Program (EAP) provided to PF&R through an interagency with F&PD&R. This reduction would eliminate the third party oversight by the EAP Coordinator. The EAP program provides personal counseling and other services to PF&R employees for a set annual fee. (\$16,125)

Management Services Division

In the Adopted Budget level, PF&R is eliminating the following from Management Services Division:

- ◆ *Communications Interagency* -- This reduction is based on savings realized in the interagency with Communications. A certain amount of the reduction can be taken from variable costs. However, the remainder will have to come from a reduction in the number of communications equipment, such as cell phones, desk phones, 800 megahertz radios and chargers. (\$30,000)

Emergency Operations Division

At the Adopted Budget level, PF&R is eliminating the following from the Emergency Operations Division:

- ◆ *BOEC Fire Liaisons* - PF&R retains four positions at the 911 Center to provide streamlined dispatch services and effective resource management. The current level of service is critical, and the following functions ensure seamless delivery of emergency response services: coordination and approval of apparatus status (and location) changes and resource assignments throughout the city as a result of training, multiple incidents, apparatus maintenance or out of district activities; maintenance of emergency communications equipment system and inventory (for 800 MHz radios and pagers); maintenance of the computer aided dispatch (CAD) files; and coordination of Multnomah County Fire/EMS resources during major emergencies, such as terrorist attacks, mass destruction incidents, and natural disasters. The Adopted Budget eliminates two of the four liaison positions, which will require BOEC operators and supervisors to undergo a significant amount of training to get up to speed. BOEC will need to become staffed at a level which enables them to successfully take on the liaison's duties. (\$206,000)
- ◆ *EMS Training Specialist* - The Emergency Medical Services (EMS) Training Specialist is one of three specialists who provide on-duty training and evaluation for EMT Basic and Paramedic certification. Since PF&R has made it a priority to provide Advanced Life Support (ALS) from all PF&R stations, the requirements for on-going training and certification have greatly increased. There are approximately 140 paramedics at PF&R with only three trainers dedicated to keeping their skills and certifications current. (\$77,318)

- ◆ *Truck ALS Elimination* - This reduction will eliminate the ALS capability from all four ALS truck companies in the City. Currently, these trucks are able to provide at least one paramedic on the apparatus as first responder to a medical emergency. This is critical in PF&R's ability to stabilize and prepare patients for transport to a hospital. By eliminating truck ALS service, Fire paramedics may have fewer opportunities to stop the clock for a patient suffering from a catastrophic medical emergency. They may not be able to administer lifesaving medications, manage difficult airway problems, deliver electrical energy to the heart to stabilize it, or manage pain..(\$158,582)

Prevention Division

At the Adopted Budget level, PF&R is eliminating the following from the Prevention Division:

- ◆ *Professional Services Funds* - Professional Services is a line item in the Materials and Services (M&S) budget. The budget allocation allows the Prevention Division to hire temporary help for unanticipated staff absences and to procure specialized skills that are otherwise unavailable. This \$30,000 reduction represents a 41% cut and will affect the division's ability to respond to challenges and opportunities. A major initiative that may be affected by this cut is the implementation of handheld technology for field inspectors. The project is intended to give inspectors access to customer data in the field and to reduce data entry to a one-step process. Assistance will likely be needed in hardware and software evaluation as well as program implementation. (\$30,000)
- ◆ *Public Assembly (reduce 1 FTE)* - The public assembly program provides plan review, issues permits, and provides inspections for special events, shows, VIP events, festivals, seasonal events, and also provides standby coordination for movie productions and large concerts and events. Permit fees are expected to generate \$46k in revenue this fiscal year, which recovers approximately 29% of the program cost. There are currently 1.75 FTE assigned to the program. (\$74,112)
- ◆ *Truck 3 Inspectors (reduce by 2, retain 1)* - This program supports the Code Enforcement Program by providing fire prevention inspections at Station 3. Currently there are three inspectors assigned to Truck 3 (one per shift). This reduction will eliminate inspectors on two of three shifts and reassign one inspector to a 40-hour workweek. Within the Emergency Operations Division, this decreases on-duty strength by one firefighter position (per shift). Within the Prevention Division, this change in service decreases the net annual fire inspection productivity by 600. (\$148,224)
- ◆ *Office Support Specialist I (OSSSI) elimination* - This entry-level position provides basic clerical support to all of PF&R. Duties include telephone and counter reception, filing and data entry. The position is currently filled with a half-time employee who is a member of the DCTU bargaining unit; the remaining .5 FTE is vacant. This position elimination will reduce customer service support to the general public, and administrative support to technical and managerial staff. This reduction goes against the 2002 recommendation of AKT Consultants, which is to retain this vacant position for needed administrative support. (\$44,403)
- ◆ *External Materials & Services Reductions in Prevention* - Since many of the M&S line items are unavoidable (office supplies, paper, uniforms, etc.) the \$50,000 M&S budget cut will come out of the more discretionary line items such as travel and training. PF&R has been a leader in state and national prevention efforts including code development and public education. Reductions will limit the division's ability to participate in these efforts. It will also limit inspectors' ability to stay current in their areas of expertise. (\$50,000)

FUNDING SOURCES

General Fund discretionary is by far the largest source of funding for Portland Fire and Rescue operations. For FY 2002-03, non-discretionary resources total \$2,731,792. The largest portion of this total is for the enhanced fire prevention program, which anticipates revenues in the amount of \$985,000. Additionally, Portland Fire and Rescue estimates that contracts will bring in close to \$380,000; including a supplies contract with Multnomah County for \$200,000. The remainder of non-discretionary revenues are for permits, reimbursements, State sanctioned runs, miscellaneous fees and interagency services.

Strategic Direction

MAJOR INITIATIVES

The public safety environment is rapidly changing. In order to meet the needs of customers, the Fire Bureau will implement their strategic plan and link it to the budget. These three major initiatives listed below are linked to the Fire Bureau strategic plan and are included in the Fire Bureau annual business plan. They will be included, as funding allows.

Urban Wildfire Hazard Zones

Major Initiative #1: Adopt Urban Wildfire Hazard Zones in the City of Portland.

Description: The Fire Bureau will work with other bureaus and private citizens to refine structural requirements, and requirements for maintaining defensible spaces, in an effort to mitigate the losses expected from serious urban wildfire in Portland.

Lead Responsibility: Prevention

Participants: EOPs

Completion Date: June 30, 2003

Leadership Development

Major Initiative #2: Expand leadership/management development training.

Description: The Fire Bureau will intensify training in management/leadership abilities in order to increase effectiveness at all levels of the organization. Subjects as diverse as developing a positive workplace environment to incident management of major catastrophic events and officer training will be included. More structured training in this area will cultivate future leaders and define the management/leadership development path.

Lead Responsibility: MSD

Participants: Chief's Office

Completion Date: June 30, 2003

Advanced Life Support

Major Initiative #3: Provide Advanced Life Support (ALS) on all first response emergency apparatus.

Description: The Fire Bureau will continue the progress made in staffing all first response apparatus at the ALS level. This will assure a consistent level of service to all of the citizens of Portland and closely match the goal of our mission statement: To Save Lives.

Lead Responsibility: EOPs

Completion Date: June 30, 2003

Commission on Fire Accreditation International (CFAI)

Major Initiative #4: Achieve certification from CFAI

Description: PF&R is committed to organizational excellence in all service areas. To that end, PF&R will seek to obtain fire service accreditation from the Commission on Fire Accreditation International (CFAI). This intensive and comprehensive self-assessment and external assessment process will enable PF&R to determine its risks and fire safety needs, evaluate the performance of the organization, and provide a method for continuous improvement. There are currently 59 fire jurisdictions nationwide with CFAI certification. This major initiative will be completed within the next two years.

Lead Responsibility: MSD

Completion Date: January 30, 2004

MANAGEMENT GOALS & OBJECTIVES

Long-Term Goals

Portland Fire and Rescue has five goals which, along with other elements of the strategic plan, serve as focal points as the bureau conducts business:

- ◆ Provide leadership and coordination that encourages Community - Fire and Rescue partnerships that result in City and Fire and Rescue mission and goal accomplishment.
- ◆ Minimize suffering, loss of life and property from fires, hazardous materials, medical and other emergencies through response programs.
- ◆ Reduce the frequency and severity of fire, medical and hazardous materials emergencies through prevention efforts such as education, investigations, engineering solutions, code development, enforcement programs, and arson prosecution assistance.
- ◆ Ensure preparedness and safety through training, disaster planning and emergency management programs and to provide all divisions with a high level of planning information and activities.
- ◆ Efficiently manage the resources and support necessary for Portland Fire and Rescue to accomplish its mission.

COUNCIL PRIORITIES

City of Portland Goals

PF&R directly supports and promotes City Council goals through the implementation of the following programs:

Through citizen involvement and strategic planning, PF&R is helping to build a livable city by implementing the Fire Facility Improvement Program, which is funded by general obligation bonds. The measure allows PF&R to manage the city's growth by providing additional resources to the community that ensure public safety.

PF&R promotes economic vitality and access to quality jobs for all through several programs. An excellent example is the Firefighter Trainee program which provides excellent career opportunities for under-represented classes. This program has enabled PF&R to improve its diversity within the sworn positions by 317% over the past nine years.

Ensuring a safe community is at the top of PF&R's list of priorities. In addition to serving as the largest pre-hospital emergency medical care provider in Oregon, PF&R provides fire suppression, prevention, technical rescue, hazardous materials response, and numerous other programs which enhance public safety.

PF&R continues to enhance partnerships with other agencies in the region. From participation in the Marine Fire and Safety Association, a group of emergency responders along the Columbia River, to intergovernmental agreements with several other agencies for development of computer-enhanced mapping of City streets, and development of a cooperative emergency management system, PF&R has worked diligently to share information, skills and talents with other area agencies.

Through an extensive strategic planning process, and with numerous internal and external stakeholders providing input, PF&R is making strides to continuously improve the quality of the delivery of public services. PF&R follows an annual business plan and ensures implementation of that plan through the adoption of divisional work plans.

Overview of Programs

CHIEF'S OFFICE

The Office of the Chief ensures that PF&R complies with State and local regulations in the area of fire suppression, emergency medical response, patient treatment, fire prevention, and investigation. This is accomplished by providing overall management and direction to the other divisions of PF&R. The Fire Chief is also the liaison with the Mayor, Commissioners and managers of other City bureaus.

The Chief's Office includes the Public Communications section, which coordinates all crisis communications at major incidents. The staff provides the media with information about incidents for their news reports. Staff also informs citizens about PF&R's role in emergency response and the diverse nature of the services provided.

The Chief's Office also oversees the Community Emergency Services Program. CES is a strategy throughout PF&R, which includes a variety of programs and projects. The CES strategy aims to increase community safety through productive partnerships between PF&R and the people PF&R serves - individuals, neighborhood associations, businesses, schools, churches and other community-based organizations such as hobbyist groups. The success of the CES strategy requires a whole new look at the community and an acknowledgment of citizens as partners in fire and life safety - more than just people who need help or customers whom the bureau serves. CES efforts rely on interaction and mutual accountability between PF&R and the community. For PF&R, CES is the Fire Bureau's vision for meeting the challenges of fire and life safety in the 21st century.

MANAGEMENT SERVICES

The Management Services Division is responsible for providing all of the support services necessary to operate a 24-hour, 7-day a week organization. It includes the Logistics Section, Financial Services, and Planning and Administrative Services.

The Financial Services section manages all financial activities of the bureau, including payroll, accounts receivable and payable, the development of the annual budget and capital improvement budget requests, projections of the year-end budget balance, and providing cost analysis and financial reports.

The Logistics Section provides support services to the operational components of Portland Fire and Rescue. This includes maintenance and repair of the City's 27 fire stations, repair, maintenance, and replacement of fire apparatus, implementation of the Fire Facility Improvement Program, and ordering and stocking of clothing, equipment, fuel, and supplies for fire stations.

The Planning and Administrative Services section prepares the annual business plan, assists with development of divisional work plans, conducts the strategic planning process, develops the five-year strategic plan, prepares statistical reports, prepares programmatic analyses, and conducts research as requested by internal and external stakeholders.

EMERGENCY OPERATIONS

The majority of resources of PF&R are dedicated to the Emergency Operations Division which is charged with responding to calls for help due to fire, medical emergencies, marine accidents, special rescues, or hazardous material incidents. There are 27 fire stations located throughout Portland, covering 149.5 square miles and a population of approximately 513,000 people.

The programs within the Emergency Operations Division are Emergency Operations (EOPS), Emergency Medical Services (EMS), Hazardous Materials Services (HAZMAT), liaison with the Bureau of Emergency Communications, Battalion Headquarters (BHQ), and the Portland Office of Emergency Management (POEM).

TRAINING

The Training and Safety Division ensures that all firefighters have the skill and strength to safely perform their jobs. It includes recruitment, in-service training, the Firefighter Trainee Program, new recruit training, and general administration, which provides curriculum, classroom presentations, hands-on training, safety programs, and scheduling of the Training Center Facilities.

The Firefighter Trainee Program concentrates its recruitment efforts on under-represented groups in order to ensure that the workforce better represents the entire community. This rigorous program includes fire science, basic mechanical skills, and certification as an EMT. After successful completion, the recruit enters the PF&R Training Academy.

New recruit training takes the newly-hired fire fighter trainees and puts them through one year of training and activities on actual apparatus at a working fire station, while their performances are monitored and evaluated.

In-Service Training picks up where the new recruit training ends. All firefighters and EMTs in the City are continuously evaluated to ensure their skills are sufficient to meet the extreme demands of the job. This section also includes career development, safety programs, loss control, research and development, and the maintaining of standards and certifications.

PREVENTION

The Prevention Division achieves success through fire prevention and education programs, including code enforcement, plans review, and fire investigations.

The Public Education Section devotes resources to educating the citizens of Portland about what they can do to assure their own safety. A major goal of this unit is to develop a partnership with other agencies and City bureaus to successfully implement the adoption of an all-risk safety curriculum in Portland schools.

Fire Investigations employs specialized Fire Inspectors who are also sworn police officers. They investigate suspicious fires and help the planning efforts of the Prevention Division by relaying critical information about contributing factors which cause or spread fires.

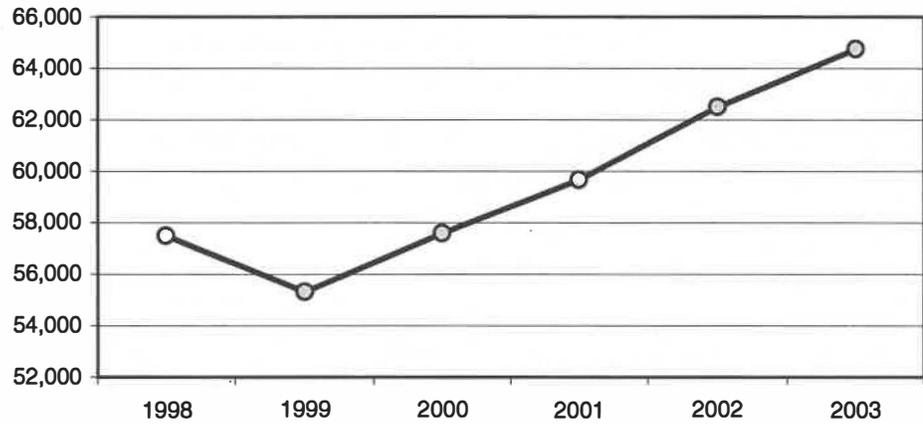
Code Enforcement seeks to identify and mitigate fire hazards in commercial establishments and multi-family dwellings of three or more units. Activities include regular inspections to ensure occupancies adhere to the safe practices outlined in the Uniform Fire Code. This program receives significant funding from the Enhanced Prevention Fee Program.

Plans Review provides specialized Fire Inspectors to review construction and development plans for compliance with fire and life safety provisions of the fire code. These inspectors work cooperatively with the Office of Planning and Development Review to assure a smooth transition from the construction of a project, regulated primarily by the building code, to its eventual use, regulated by the fire code.

Performance Measures

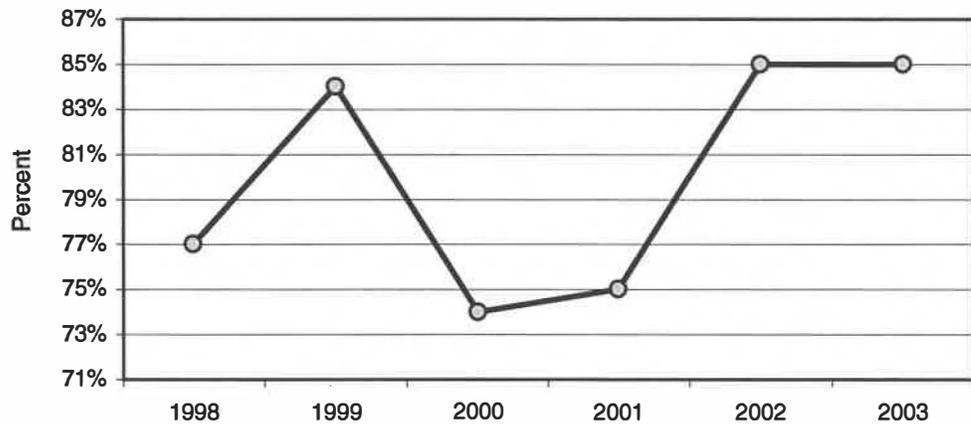
Number of Emergency Response Calls

- ◆ The bureau has seen a constant increase in the number of emergency response calls in direct correlation to the rise in population.
- ◆ 60% of the calls responded to are medical in nature.
- ◆ Portland Fire and Rescue serves a population of 531,600 and provides coverage to 149.5 square miles.



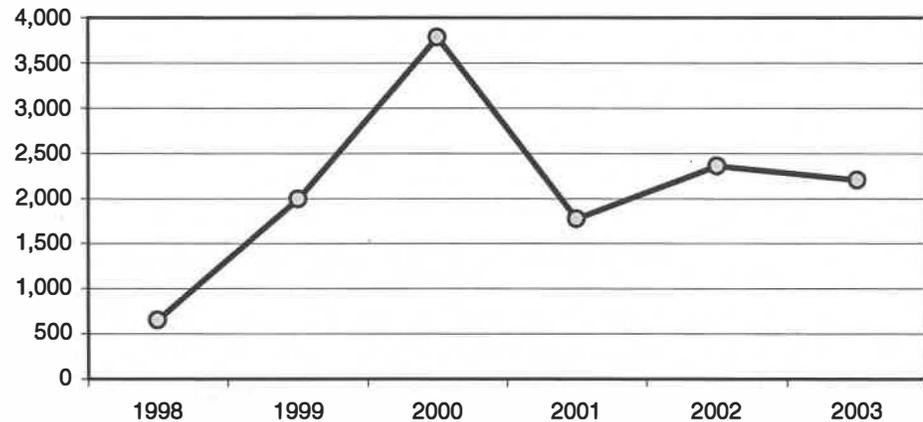
Response Time under 5 minutes 20 seconds

- ◆ Study findings indicate that getting medical help within the first few minutes of a trauma or medical emergency can make a dramatic difference in a patient's recovery.
- ◆ Three additional fire stations will be built within the next two years to ensure that Portland Fire & Rescue continues to provide an adequate level of emergency response.



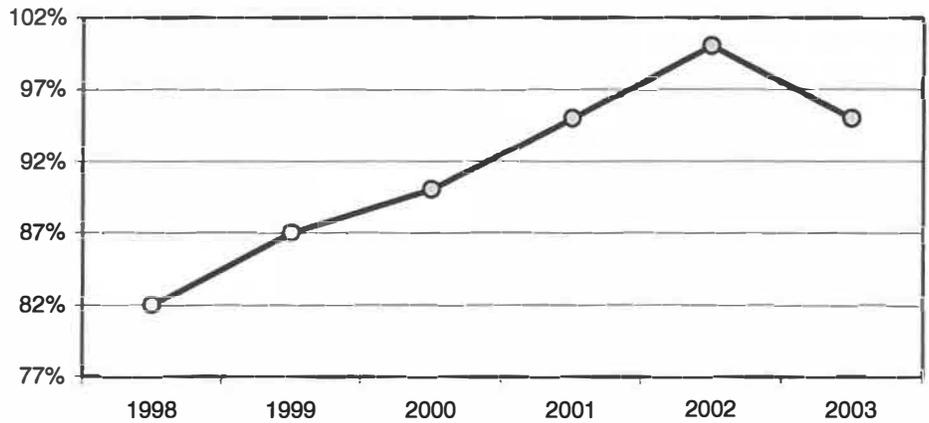
Number of Applicants for Positions

- ◆ Depending on the fiscal year, various exams are given for uniform positions. The chart shows how the total number of applicants fluctuates, depending on the type and number of exams being given.
- ◆ Lieutenant, Captain and Chief positions usually have fewer applicants than the entry level positions of Firefighter and EMT.

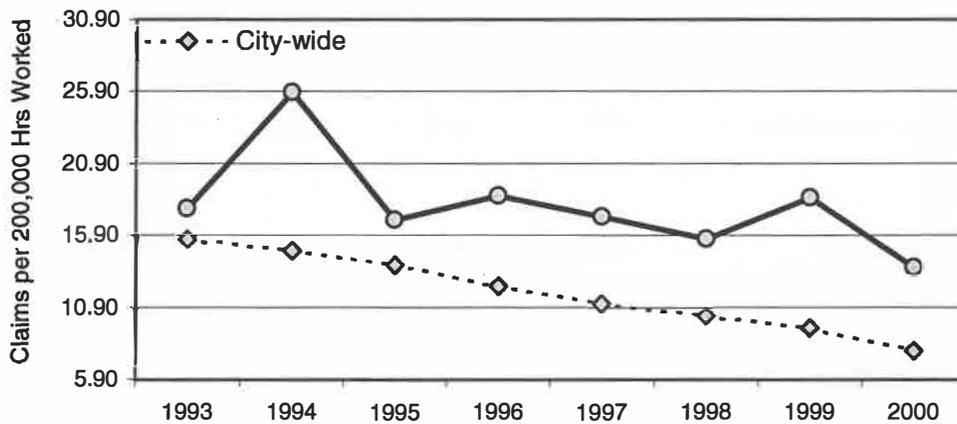


Percent of Recruits Trained Successfully

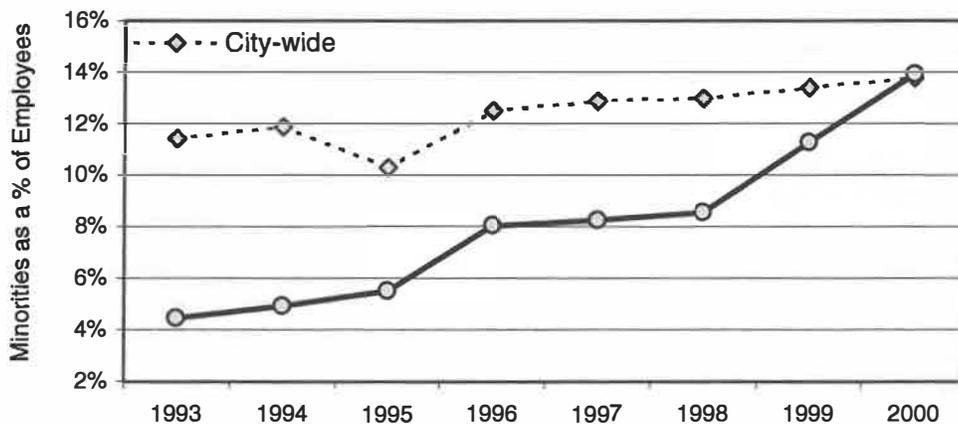
- ◆ Portland Fire and Rescue's Training Academy provides an extensive program through classroom training, shift work training at Station 2; and continued learning and evaluation at an assigned station.
- ◆ All of these methods of training provide the best means to train an individual; the graph shows the percent who have successfully completed the training.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF FIRE, RESCUE AND EMERGENCY SERVICES						
Affirmative Action Measures						
Affirmative Action - Minority	10.2%	11.5%	13.6%	14.0%	14.1%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	7.4%	7.2%	8.8%	9.1%	9.1%	
Female Employees as a Percent of Total						
Bureau of Fire, Rescue and Emergency Services						
Risk Data						
General Liability Claims per 200,000 Hours Worked	2.07	0.94	1.48	0.90		
Worker's Comp Claims per 200,000 Hours Worked	17.18	15.65	18.49	13.65		
Fleet Claims per 100,000 Miles Driven	3.35	3.39	3.33	2.17		
Fleet Claims Cost per 100,000 Miles Driven	\$6,658	\$7,649	\$8,500	\$2,650		
General Liability Claims Cost per \$100 Payroll	\$0.01	\$0.02	\$0.46	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$2.62	\$2.11	\$3.86	\$1.28		
Chief's Office						
Workload						
Number of Applicants for Positions and Promotional Exams	649	1,986	3,778	1,770	2,355	2,200
Effectiveness						
Percent of citizens rating service good or very good	91%	91%	90%	91%	95%	95%
Management Services						
Effectiveness						
Percent of time in compliance with external deadlines for payroll, Council, Budget and Purchasing	100%	99%	100%	100%	100%	100%
Efficiency						
Process payment documents in 5 days 100% of the time	100%	100%	100%	100%	100%	100%
Emergency Operations						
Workload						
Number of Emergency Response Calls	57,483	55,310	57,588	59,652	62,500	64,750
Efficiency						
Respond (turnout and travel) to 90% of all EMS/Fire incidents within 5 minutes 20 seconds	77%	84%	74%	75%	85%	85%
Training						
Workload						
Number of hours of training provided via group delivery at Training or in the field	14,000	48,440	40,150	50,400	52,000	54,000
Effectiveness						
Percent of recruits successfully trained in comparison to the total # of recruits	82%	87%	90%	95%	100%	95%
Efficiency						
Percent of firefighters completing in-service training based on annual requirements	85%	100%	100%	100%	100%	100%

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Prevention						
Workload						
Number of participants in public education programs per PEO employee	2,675	1,018	6,002	3,980	1,895	2,000
Effectiveness						
Number of arrests and exceptional clearances as a percent of the total number of arson fires	25%	18%	17%	20%	30%	20%

Bureau of Fire, Rescue and Emergency Services AU 124

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	51,819,918	53,382,230	54,651,387	55,836,589	55,836,589
External Materials and Services	4,237,504	4,260,011	5,016,276	4,391,752	4,391,616
Internal Materials and Services	2,854,555	2,806,044	3,979,334	4,334,941	4,335,077
Minor Capital Outlay	229,424	194,998	81,949	50,000	50,000
Equipment Cash Transfers	0	24,522	0	0	0
Total Operating Budget	59,141,401	60,667,805	63,728,946	64,613,282	64,613,282
Capital Improvements	132,016	1,023,842	1,812,091	1,075,000	1,075,000
TOTAL BUREAU EXPENDITURES	\$ 59,273,417	\$ 61,691,647	\$ 65,541,037	\$ 65,688,282	\$ 65,688,282
Allocated Overhead	1,530,868	1,360,538	1,084,195	1,106,132	1,132,754
Total Cost with Allocated Overhead	60,804,285	63,052,185	66,625,232	66,794,414	66,821,036
RESOURCES					
General Fund Discretionary	55,989,131	58,630,576	62,115,817	62,859,688	62,790,910
Non-Discretionary Revenues					
Grants & Donations	245,400	203,775	599,006	0	0
Contract Revenues	370,061	329,545	292,000	303,000	303,000
Interagency Revenues	75,795	42,556	112,672	121,792	121,792
Program Revenue	2,593,030	2,485,195	2,421,542	2,202,000	2,202,000
Overhead Recovery	0	0	0	201,802	270,580
Total Non-Discretionary Revenues	3,284,286	3,061,071	3,425,220	2,828,594	2,897,372
TOTAL GENERAL FUND RESOURCES	59,273,417	\$ 61,691,647	\$ 65,541,037	\$ 65,688,282	\$ 65,688,282
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Logistics	89,563	103,344	0	0	0
<i>Positions</i>	0	0	0	0	0
Chief's Office	946,871	1,169,592	1,506,212	1,457,134	1,457,134
<i>Positions</i>	8	9	8	7	7
Management Services	7,470,223	8,645,182	9,183,574	9,034,722	9,202,389
<i>Positions</i>	45	45	35	32	35
Emergency Operations	43,916,900	44,878,984	46,950,400	47,487,607	47,305,116
<i>Positions</i>	595	602	591	585	583
Training	1,708,506	1,678,667	2,178,753	2,136,273	2,136,273
<i>Positions</i>	22	23	24	24	24
Emergency Management & Planning	1,418	271	0	0	0
<i>Positions</i>	0	0	0	0	0
Prevention	5,137,382	5,214,768	5,722,098	5,572,546	5,587,370
<i>Positions</i>	66	65	63	62	61
TOTAL PROGRAMS	\$ 59,270,863	\$ 61,690,808	\$ 65,541,037	\$ 65,688,282	\$ 65,688,282
<i>Positions</i>	735	743	721	710	710
<i>General Fund Discretionary Positions</i>	698	711	690	680	680

Bureau of Fire, Rescue and Emergency Services AU 124

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	30,218,794	33,390,988	42,608,996	43,490,300	43,461,675
512000 Part-Time Employees	278,963	357,939	354,632	287,412	304,975
514000 Overtime	1,267,456	1,214,344	1,044,042	1,026,051	1,046,027
515000 Premium Pay	6,667,968	5,444,638	3,879,938	4,077,562	4,077,562
517000 Benefits	6,703,036	6,838,004	6,763,779	6,955,264	6,946,350
518000 Paid Absence	6,683,701	6,136,317	0	0	0
Total Personnel Services	51,819,918	53,382,230	54,651,387	55,836,589	55,836,589
Materials and Services					
External Materials and Services					
521000 Professional Services	381,307	359,228	443,278	433,954	433,954
522000 Utilities	333,625	359,743	365,000	425,000	425,000
523000 Equipment Rental	2,756	7,764	30,097	30,263	30,263
524000 Repair & Maintenance Services	723,260	783,264	736,846	640,128	640,128
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	140,765	204,110	319,358	186,084	150,948
531000 Office Supplies	85,832	102,949	115,303	111,966	111,966
532000 Operating Supplies	662,412	682,950	1,235,844	816,205	816,205
533000 Repair & Maintenance Supplies	445,967	350,140	502,362	510,188	510,188
534000 Minor Equipment & Tools	583,059	453,907	379,232	549,383	549,383
535000 Clothing & Uniforms	433,699	430,388	367,464	396,532	396,532
539000 Other Commodities External	11,224	15,459	12,387	12,421	12,421
541000 Education	188,623	195,433	223,878	233,582	233,582
542000 Local Travel	6,084	10,339	17,327	13,807	13,807
543000 Out-of-Town Travel	82,079	112,976	77,322	79,383	79,383
544000 Space Rental	112,717	117,277	115,150	6,538	6,538
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	5,320	5,320	5,320
547000 Retirement System Payments	77,485	85,251	89,100	95,000	95,000
549000 Miscellaneous	11,814	8,635	18,703	20,998	20,998
Total External Materials and Services	4,282,708	4,279,813	5,053,971	4,566,752	4,531,616
Internal Materials and Services					
551000 Fleet Services	592,121	627,903	617,503	613,576	613,576
552000 Printing & Distribution	177,286	148,932	167,991	165,597	165,597
553000 Facilities Services	39,253	46,489	38,739	49,669	49,669
554000 Communications Services	877,839	844,490	890,484	903,396	903,396
555000 Data Processing Services	127,981	366,517	786,541	1,095,572	1,095,572
556000 Insurance	883,493	719,968	737,496	664,687	664,687
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	9,534	10,225	679,681	705,218	705,218
559000 Other Fund Services	36,232	60,156	37,479	137,226	172,362
Total Internal Materials and Services	2,743,739	2,824,680	3,955,914	4,334,941	4,370,077
Total Materials and Services	7,026,447	7,104,493	9,009,885	8,901,693	8,901,693
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	87,697	982,997	0	0	0
564000 Capital Equipment	229,424	194,998	1,856,345	950,000	950,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	317,121	1,177,995	1,856,345	950,000	950,000
573000 Equipment Cash Transfers	0	24,522	0	0	0
576000 Minor Equipment Transfers	109,931	2,407	23,420	0	0
TOTAL BUREAU EXPENSES	\$ 59,273,417	\$ 61,691,647	\$ 65,541,037	\$ 65,688,282	\$ 65,688,282

Bureau of Fire, Rescue and Emergency Services AU 124

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	1	1	1	41,454	1	42,825	1	42,825
515	Accountant II	1	0	0	0	0	0	0	0
516	Accountant III	0	1	1	52,208	1	53,933	1	53,933
510	Accounting Technician	2	2	3	101,608	3	106,362	3	106,362
819	Administrative Assistant	1	2	3	151,490	3	158,268	3	158,268
922	Administrative Supervisor II	1	1	1	56,482	1	60,479	1	60,479
2532	Applications Analyst II	2	2	1	57,720	0	0	0	0
2533	Applications Analyst III	2	2	2	115,148	0	0	0	0
2534	Applications Analyst IV	1	1	1	63,040	0	0	0	0
5347	Ass't Public Education Officer	1	1	1	65,369	1	73,924	1	73,924
826	Assistant Financial Analyst	1	0	0	0	0	0	0	0
5324	Assistant Fire Marshal	1	1	0	0	0	0	0	0
962	Assistant Program Specialist	1	0	0	0	0	0	0	0
928	Bureau Administrative Manager	0	1	1	77,064	1	79,595	1	79,595
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
1420	Carpenter	2	2	2	87,276	2	90,160	2	90,160
932	Chief Bureau Administrative Mgr	0	1	1	84,448	1	92,812	1	92,812
114	Clerical Specialist	5	0	0	0	0	0	0	0
7490	Community Relations Assistant	1	1	0	0	0	0	0	0
7492	Community Relations Specialist	0	0	1	42,008	1	49,404	1	49,404
118	Customer Services Rep	1	0	0	0	0	0	0	0
127	Delivery Driver	1	0	0	0	0	0	0	0
5217	Deputy Fire Chief	6	6	7	625,519	7	657,775	7	657,775
337	Distribution Technician	0	1	1	36,774	1	37,981	1	37,981
5218	Division Fire Chief	1	1	1	99,590	1	102,876	1	102,876
1453	Electrician	1	1	1	54,226	1	56,021	1	56,021
5349	Emerg Med Svcs Coordinator	1	1	1	75,116	1	78,354	1	78,354
5348	Emerg Med Svcs Specialist	1	1	3	196,574	2	140,181	2	140,181
1115	Facilities Maintenance Tech	2	2	2	88,192	2	91,078	2	91,078
827	Financial Analyst	1	1	1	59,290	1	49,700	1	49,700
5216	Fire Battalion Chief	11	11	11	927,479	11	973,618	11	973,618
5214	Fire Captain	30	32	31	2,293,516	31	2,398,642	31	2,398,642
5219	Fire Chief	1	1	1	110,094	1	113,712	1	113,712
5208	Fire Fighter	425	426	420	23,370,426	420	24,010,021	423	24,196,111
5209	Fire Fighter Specialist	9	10	10	582,559	10	609,453	10	609,453
5220	Fire Inspector	39	39	36	2,241,620	33	2,137,387	29	1,885,085
5222	Fire Inspector/Specialist	7	7	7	457,583	7	477,365	7	475,384
5225	Fire Investigator	7	7	7	465,484	7	489,095	7	489,095
5211	Fire Lieutenant	97	101	98	6,257,941	98	6,615,483	98	6,615,483
5328	Fire Marshal	1	1	1	99,590	1	102,876	1	102,876
5212	Fire Training Officer	4	4	4	239,254	4	260,449	4	260,449
5260	Harbor Pilot	7	7	7	439,842	7	460,751	7	460,751
5352	Hazardous Materials Coordinator	1	1	1	77,085	1	79,615	1	79,615
614	Human Resources Coordinator	1	0	0	0	0	0	0	0
1520	Industrial Machinist	1	1	1	44,096	1	45,518	1	45,518
2542	Information Systems Analyst II	1	1	0	0	0	0	0	0
2544	Information Systems Analyst IV	1	1	0	0	0	0	0	0
100	Office Support Specialist I	0	2	2	57,949	1	32,113	1	32,113
102	Office Support Specialist II	0	5	5	162,240	5	171,981	5	171,981
104	Office Support Specialist III	0	1	1	40,498	1	41,823	1	41,823
1443	Painter	2	2	2	87,276	2	90,160	2	90,160
2545	Principal Info Systems Analyst	1	1	0	0	0	0	0	0
966	Program Coordinator	0	3	3	176,632	3	184,551	3	184,551
968	Program Manager I	0	1	0	0	0	0	0	0
970	Program Manager II	4	4	2	129,057	2	135,699	2	135,699
972	Program Manager IV	1	0	0	0	0	0	0	0
964	Program Specialist	1	0	0	0	0	0	0	0
220	Secretarial Clerk I	2	0	0	0	0	0	0	0
816	Senior Administrative Specialist	8	7	5	187,479	4	172,136	4	172,136
3166	Senior Engineer	1	1	1	73,237	1	75,648	1	75,648
828	Senior Financial Analyst	1	1	1	66,061	1	61,177	1	61,177
5221	Senior Fire Inspector	6	6	6	439,741	6	458,729	6	458,729
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
952	Senior Management Analyst	0	0	1	66,061	1	64,895	1	64,895
1134	Sr Facilities & Maint Supervisor	2	2	2	125,507	2	129,790	2	129,790
5230	Staff Fire Captain	5	5	5	375,580	5	391,770	5	391,770
5213	Staff Fire Lieutenant	5	5	5	307,741	3	201,433	3	201,433
3107	Technician I	1	1	1	36,448	1	39,568	2	79,136
1054	Trades Supervisor	2	1	0	62,950	1	53,348	1	53,348

Bureau of Fire, Rescue and Emergency Services AU 124

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
1210	Utility Worker I	0	1	1	34,195	1	35,329	1	35,329
1532	Vehicle & Equipment Mechanic	6	5	5	220,480	5	227,695	5	227,695
604	Video Production Assistant	3	2	1	56,638	1	58,506	1	58,506
606	Video Production Manager	2	2	1	66,061	1	68,236	1	68,236
TOTAL FULL-TIME POSITIONS		735	743	721	\$ 42,608,996	710	\$ 43,490,300	710	\$ 43,461,675

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	66,238,888	0	66,238,888	721.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	826	0	826	0.0	Facilities BOMA Adjustment
	(5,000)	0	(5,000)	0.0	Correct Technical Error - Circular Xfer
	(326,541)	0	(326,541)	(4.0)	Reduce 4 FTE & \$ - Xfer to BIT
	326,541	0	326,541	0.0	Increase I/A with BIT for shift of 4 FTE
Mayor's Proposed Budget Decisions					
	(206,000)	0	(206,000)	(2.0)	BOEC Liaisons
	(156,582)	0	(156,582)	0.0	Eliminate ALS on trucks
	(77,318)	0	(77,318)	(1.0)	Eliminate EMS Training Specialist
	(50,000)	0	(50,000)	0.0	External M&S in Prevention
	(16,125)	0	(16,125)	0.0	I/A with FPD&R for EAP program
	(44,403)	0	(44,403)	(1.0)	Office Support Specialist II
	0	(686,400)	(686,400)	0.0	One Time Savings
	(30,000)	0	(30,000)	0.0	Professional Services Reduction in Prevention
	(74,112)	0	(74,112)	(1.0)	Public Assembly Position
	(30,000)	0	(30,000)	0.0	Reduce Communication I/A
	(8,500)	0	(8,500)	0.0	Supportive Employment Program
	(148,224)	0	(148,224)	(2.0)	Truck 3 Inspectors
	(201,802)	0	(201,802)	0.0	POEM to Overhead (GF Disc. Savings)
	201,802	0	201,802	0.0	POEM to Overhead (Add Overhead Funding)
	(83,408)	0	(83,408)	0.0	OMF Internal Services Cuts- GF Savings
	(10,360)	0	(10,360)	0.0	OMF BHR Training Reduction
	0	900,000	900,000	0.0	CRC Capital - Apparatus Replacement
	0	35,000	35,000	0.0	CRC Capital - Linnton Training Site Clean-up
	0	140,000	140,000	0.0	CRC Capital - Station #6 Dredging
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	(939,206)	388,600	(550,606)	(11.0)	Total FY 2002-03 Decision Packages
			\$ 65,688,282	710.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	(403,604)	0	(403,604)	(4.0)	Emergency Management
	(3,309,600)	0	(3,309,600)	(48.0)	Station Closures
			\$ (3,713,204)	(52.0)	Total Decision Packages Not Accepted

Bureau of Emergency Communications

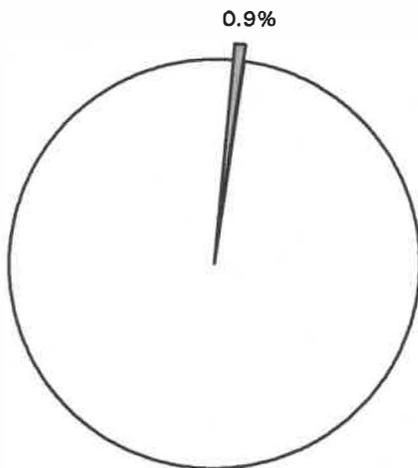
Public Safety Service Area

Erik Sten, Commissioner-in-Charge

Carl Simpsons, Director

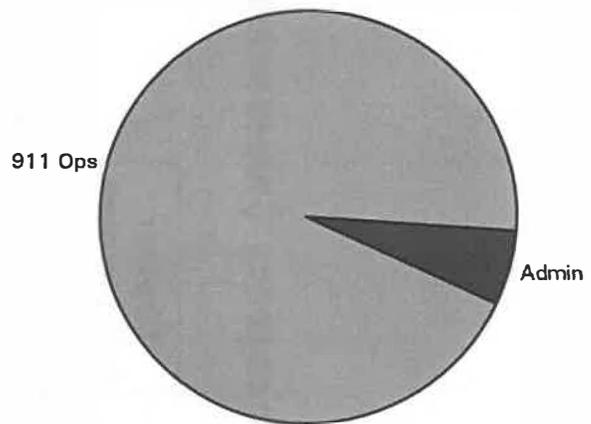
Percent of City Budget

Emerg Comm = \$12.8 Million



City Budget = \$1.4 Billion

Bureau Programs

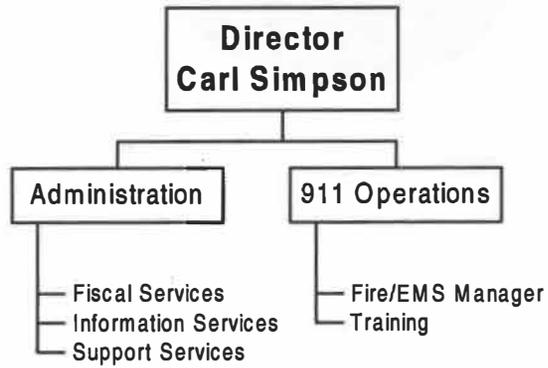


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	13,241,449	12,819,189	-422,260	-8.5%
Capital	0	0	0	0.0%
Allocated Overhead Costs	214,363	221,488	7,125	-2.3%
Total Cost with Allocated Overhead	\$ 13,455,812	\$ 13,040,677	\$ -415,135	-8.4%
Authorized Full-Time Positions	133	133	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau of Emergency Communications



Bureau Summary

BUREAU MISSION

The mission of the Bureau of Emergency Communications is to provide exemplary, quality and timely 9-1-1 call-taking services to the citizens of Portland and Multnomah County, and to provide the best possible dispatch services to BOEC's police, fire and medical user agencies.

BUREAU OVERVIEW

Organizational Description

The Bureau of Emergency Communications (BOEC) serves as the primary public safety answering point for Multnomah County.

All calls using the 9-1-1 telephone system and the non-emergency number are processed by BOEC personnel. Through contractual and interagency agreements, BOEC personnel dispatch police, fire and emergency medical personnel to incidents.

In FY 2002-03 BOEC expects to receive 900,000 calls - 600,000 emergency and 300,000 non-emergency calls. A call attendant switch helps reduce the number of non-emergency calls handled by BOEC call-takers. The switching equipment allows a person to self-direct his/her call to various user defined options including a telephone report unit or an information and referral unit.

Operating Budget

The total FY 2002-03 operating budget is \$13.1 million, a decrease of \$400,000 from FY 2001-02.

Call Volumes

Historically, call volumes tend to increase at a rate similar to population growth. The population of Multnomah County is estimated to grow an average of 4% per year.

Recently call volume has leveled off. BOEC projects that 94 certified Emergency Communications Operator (ECO) II positions are necessary to meet the performance goals.

Recruiting

Recruiting efforts to hire and train up to 30 new ECO staff positions per year have been developed and are in place. The goal is to recruit and hire three ECO trainees each year for a total of ten. Each group of new hires goes through a 12-month training program.

The current number of certified ECO staff is 85, in contrast with the projected requirement of 94.

Overtime

As staffing and training efforts continue to meet the staffing level goals, overtime is used to manage peak hours and stay in compliance with the performance levels defined by the BOEC User Board. There are projected to be 23,000 overtime work hours in FY 2002-03.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Demand for Services

As population grows call volume increases

Bureau of Emergency Communications (BOEC) call volume has historically increased each year. Call volumes remain steady at about 900,000 calls per year.

The FY 2002-03 Adopted Budget provides for a personnel level sufficient to cover all dispatch operation and call-taking positions that, if fully staffed, could provide a performance level of 90% of all 9-1-1 calls answered within 20 seconds. This is a continuation of the reduced performance goal established for FY 2001-02, a reduction of the prior performance goal of 94.5%.

City Administrative Services Review

As a result of the Citywide Administrative Services Review (ASR) in FY 2001-02, BOEC has transferred its Human Resources Coordinator position to the Office of Management and Finance and 16 Information Technology (IT) positions to OMF's Bureau of Information Technology.

Additional adjustments are expected in the IT area because currently only salary costs have been centralized. Materials, supplies, professional services and all other non-salary costs will be evaluated during FY 2002-03 and centralized for FY 2003-04.

SUMMARY OF BUDGET DECISIONS

Response to City Funding Challenges

The FY 2002-03 Adopted Budget for BOEC responds to the overall City funding challenges. BOEC has received reduced funding of about \$477,000 from last year's Adopted Budget.

To respond to this level of funding, BOEC has reviewed and reduced materials and supplies and contract budgets wherever possible.

BOEC has reduced its personnel services costs by \$477,000 through a reduction of overtime from \$806,000 to \$329,000.

It is anticipated that salary savings from vacant positions will be used to fund overtime, which is due in part to the vacancies and to shift scheduling.

Equipment costs have been transferred from the BOEC operating budget to the Public Safety Fund. Equipment costs are projected to be \$300,000 in FY 2002-03.

FUNDING SOURCES

User Jurisdiction Payment

BOEC functions as the primary public safety answering point for the jurisdictions within Multnomah County. All member jurisdictions provide a share of financial support to BOEC. The amount of support is related to the size of the population of the various jurisdictions. Portland has the greatest number of residents and therefore the City of Portland provides the majority of the funding for BOEC, approximately 80%.

There are two sources of revenue for these payments: State allocated 9-1-1 revenue and entity General Fund resources.

Research Services responds to requests for 9-1-1 call recordings by attorneys, media, City and other requesters. A fee of \$50 per request is assessed. Members of the user jurisdictions that pay the allocated costs from BOEC do not pay an additional amount for this service.

The Office of Management and Finance suggested BOEC's operating contingency should be between 3-5% of operating expenditures. With FY 02-03 operating expenditures at about \$13 million, the operating contingency should range from \$390,000 to \$650,000. It has been suggested that a portion of the Public Safety Fund be considered the BOEC operating contingency.

Strategic Direction

MANAGEMENT GOALS & OBJECTIVES

Long-Term Goals

The main goal of the Bureau of Emergency Communications is to provide 9-1-1 call taking and dispatch services to the citizens, police, fire, and medical user agencies of Portland and Multnomah County.

To ensure this, BOEC has the following goals:

- ◆ Strive toward attaining full staffing.
- ◆ Improve the training program for trainees.
- ◆ Enhance the inservice training for certified ECO IIs.
- ◆ Review and update the technological support systems which provide the underpinnings for BOEC's functions.
- ◆ Improve labor-management relations and cooperations to ensure resolution of identified issues.
- ◆ Enhance the quality assurance program to ensure continuous improvements in bureau policies, procedures, training processes, and environment, and in the evaluation of the need for new technologies.

Working toward these goals will help ensure that BOEC provides the best possible service to our user agencies and the citizens of Multnomah County.

Bureau Management Objectives for FY 2002-03

The bureau performs services for the user agencies within the Multnomah County area, as stated within the User Agency Agreement. The goal of BOEC is to meet or exceed the requirements of the user agreement.

Call Taking Objectives

There are several objectives intended to improve call handling.

- ◆ 90.0% of all E-9-1-1 calls will be answered in less than 20 seconds.

Police Dispatch Objectives

There are several objectives intended to improve call responses for police.

- ◆ For 90% of all Priority E calls, create-to-dispatch times to be within 60 seconds.
- ◆ For 90% of all Priority 1 calls, create-to-dispatch times to be within 90 seconds.
- ◆ For 90% of all Priority 2 calls, create-to-dispatch times to be within 180 seconds.
- ◆ For 90% of all Priority 3, 4 and 5 calls, create-to-enter times to be within 180 seconds.

Fire Dispatch Objectives

There are several objectives intended to improve call responses for fire.

- ◆ For 90% of all urgent calls (commercial, auto and residential fires), create-to-broadcast/ tone-out times to be within 60 seconds.
- ◆ For 90% of all priority calls (code 2 or non-emergency response), receive-to-broadcast/ tone-out times to be within 90 seconds.

- ◆ For 90% of all non-priority calls receive-to-broadcast/tone-out times to be within 120 seconds.

Emergency Medical Dispatch (EMS) Objectives

There are two objectives intended to improve medical response.

- ◆ For 90% of all priority E-1-2 calls, create-to-dispatch/tone-out times to be within 90 seconds.
- ◆ For 90% of all priority 3-9 calls, create-to-dispatch/tone-out times to be within 180 seconds.

Hiring Objectives for FY 2002-03

There are two objectives intended to meet affirmative action goals.

- ◆ Recruit and hire personnel to meet or exceed the bureau's affirmative action goals.
- ◆ Hire, train and certify a sufficient number of positions each year to offset attrition and meet operational needs.

Note: These objectives are frequently reviewed by the BOEC User Board.

COUNCIL PRIORITIES

Council Issues and Priorities

The City Council has established goals and priorities. Each bureau has been asked to provide a statement as to the relationship of the bureau to the Citywide and Council directed goals and priorities. The Council priorities are:

- ◆ Ensure decent, affordable housing.
- ◆ Build a livable city through good planning and well-managed growth.
- ◆ Promote economic vitality and access to quality jobs for all.
- ◆ Maintain a financially stable City of Portland.
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in city activities and services.
- ◆ Keep the central city vital.
- ◆ Build a multi-modal transportation system.
- ◆ Grow as an international city.
- ◆ Become a more effective partner in the region.

BOEC's Relationship to Priorities

Housing costs, central city vitality, partnering, and even quality education are connected to public safety.

BOEC's activities directly or indirectly impact most of Council's priorities. These activities directly support the provision and maintenance of a safe peaceful community. BOEC functions as the primary public safety answering point for Multnomah County. Emergency and non-emergency phone calls are received by BOEC employees and police, fire and medical personnel are dispatched to these incidents.

Safety itself is integral to the livability and growth potential of the city. In fact, safety of a community impacts all aspects of the city. Housing costs, central city vitality, partnering, and even quality education are connected to public safety.

Overview of Programs

ADMINISTRATION

The Administration program includes the Director and the Business Services staff totaling 10 FTE.

The Director supervises the Operations Manager, Human Resources Manager and Support Services Manager.

The Administrative cost center includes appropriation for:

- ◆ Director
- ◆ Support Services Manager
- ◆ Principal Management Analyst
- ◆ Two ECO I staff providing Research Services
- ◆ One ECO I staff, providing support services
- ◆ One ECO II staff providing CAD support services.
- ◆ Three administrative support positions, timekeeper, receptionist and supervisor.

The Operations Manager is accounted for within the Operations program.

The Support Services Manager is responsible for all business services which include fiscal services, information systems, research operations, and general office functions. Information systems staff are accounted for within the operations program.

The HR Manager and IT staff have been transferred to central City bureaus as part of the Administrative Services Review process.

911 OPERATIONS

Overview

The Operations program includes a total of 123 FTE.

Operations Cost Center

The Bureau Operations Manager has primary responsibility for providing E-911 call-taking and police, fire and emergency medical dispatch services.

The FY 2002-03 Adopted Budget includes funding for a total of 123 positions:

- ◆ 94 FTE certified ECO II positions responsible for handling incoming calls and dispatch activity
- ◆ 10 FTE ECO trainee positions to allow for replacement of staff due to attrition, retirement and for increases in volume of work
- ◆ 5 FTE, Operations Manager, Police Manager, Fire/EMS Manager, Training Coordinator, and Training Analyst
- ◆ 3 FTE, Emergency Communications Supervisor II positions
- ◆ 10 FTE, Emergency Communications Supervisor I positions
- ◆ 1 FTE, Support Services

Emergency Communications Supervisors report directly to the Bureau Operations Manager who is responsible for the day-to-day operation of the Center.

The Police Manager reports to the Bureau Operations Manager and is responsible for the overall management of the police dispatch services area.

The Fire/EMS Program Manager reports to the Bureau Operations Manager and is responsible for the overall management of the fire/emergency medical dispatch services area.

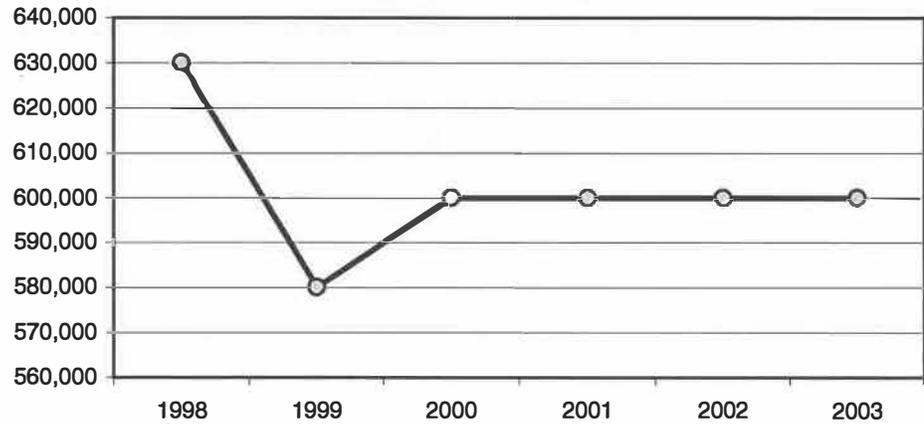
The Training Coordinator reports to the Bureau Operations Manager and is responsible for coordinating the operations staff new employee academies and certification training as well as ongoing operations certification training. The Training Analyst reports to the Training Coordinator.

All Emergency Communications Operators report to the on duty Emergency Communications Supervisor(s).

Performance Measures

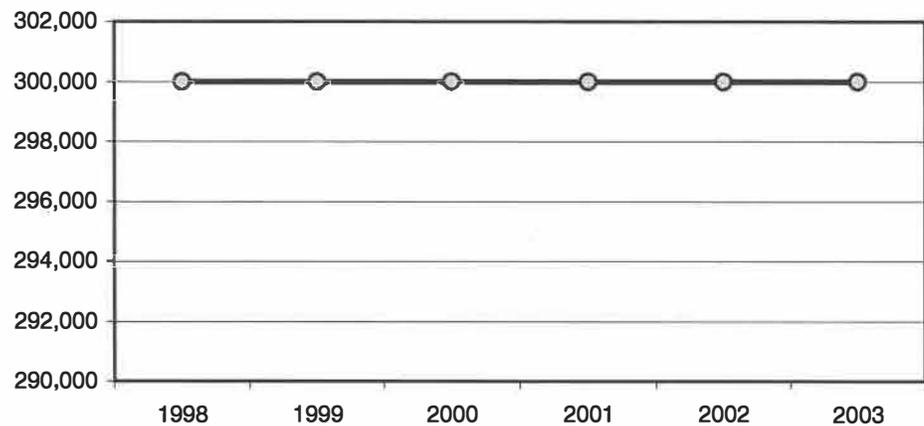
Emergency 9-1-1 Calls

- ◆ The implementation of the 9-1-1 non-emergency number has reduced the number of emergency calls since FY 1998.



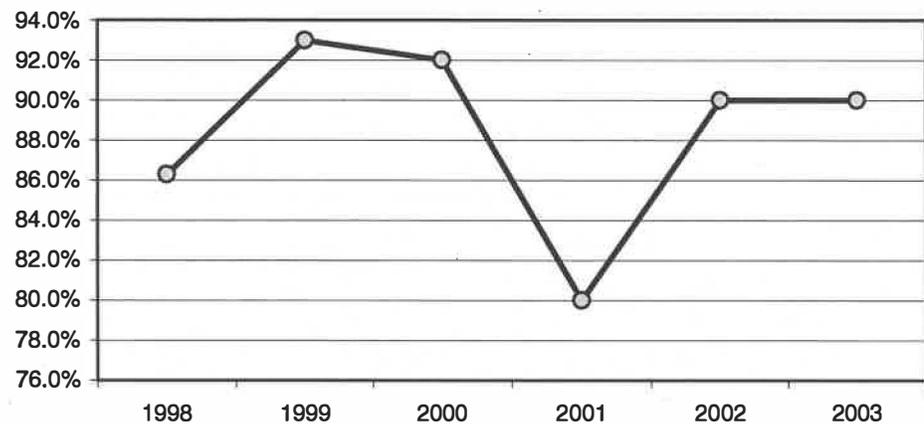
Non-Emergency Calls

- ◆ The volume of calls to the non-emergency number varies with the usage of the non-emergency phone number, and the overall call volume to the Bureau.
- ◆ Implementation of the public education program should create a sharp increase in non-emergency calls.

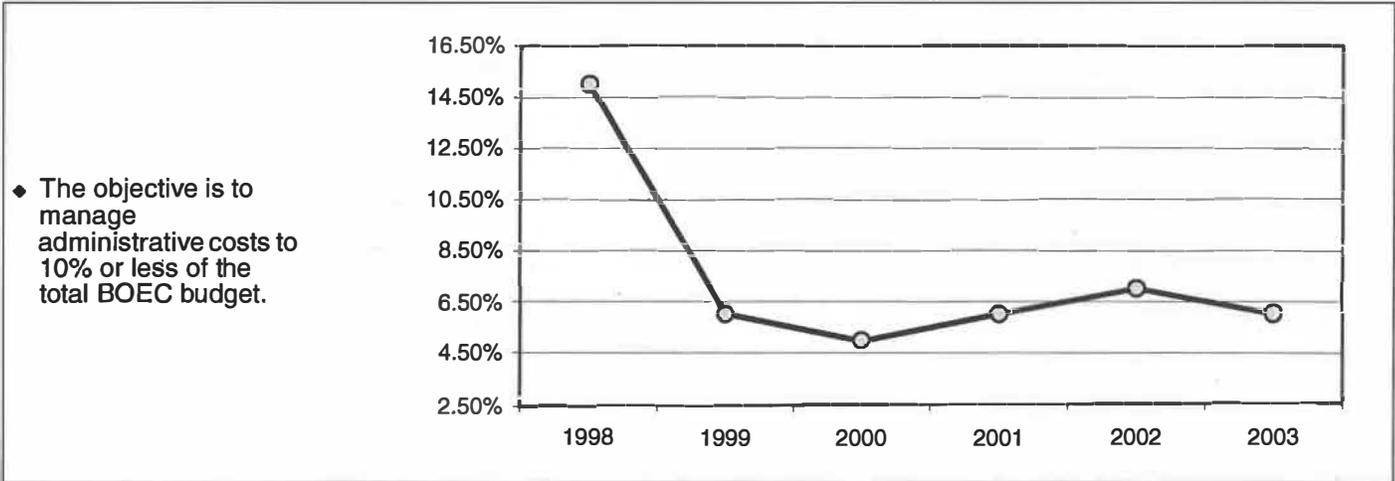


% Calls Answered Within 20 Seconds

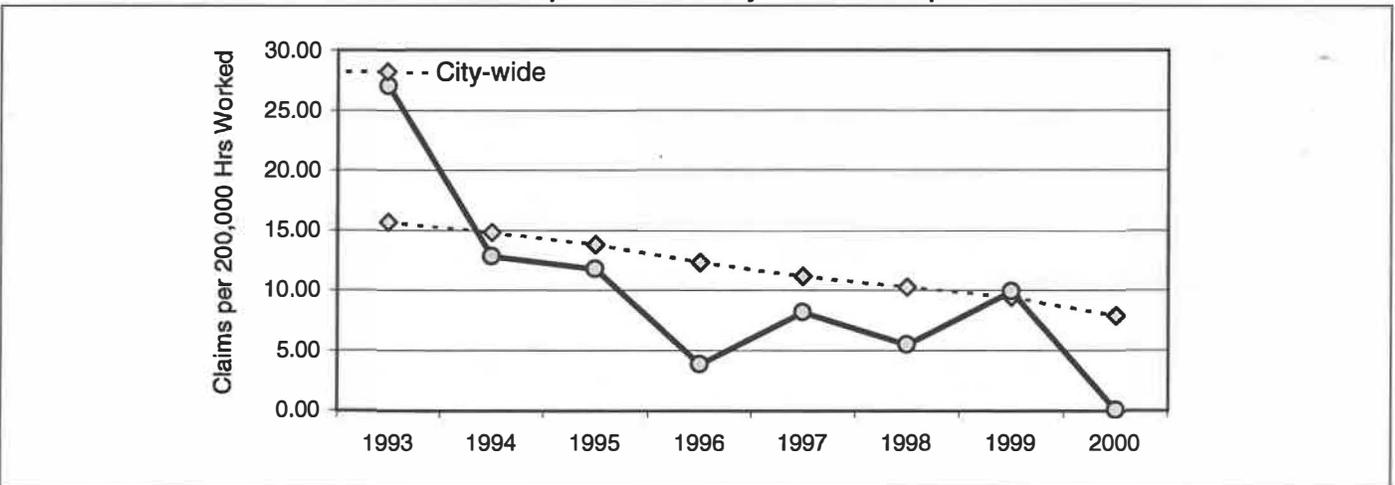
- ◆ As current recruitment efforts lead to a full staffing level of certified emergency communications operators, BOEC expects performance to improve.



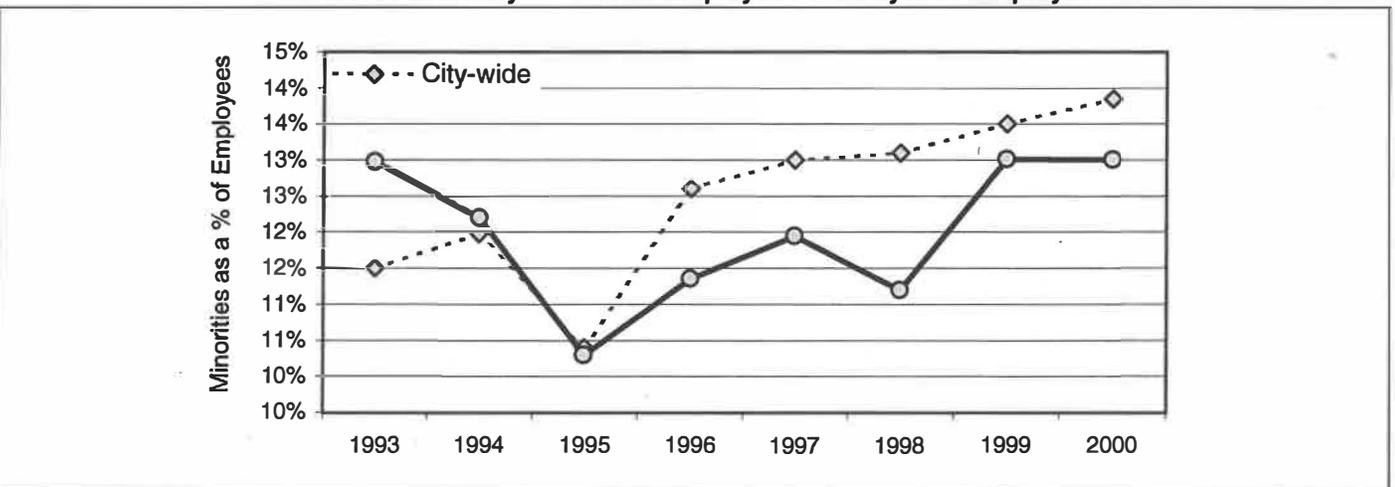
Administrative Cost as a % of Total Budget



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



Bureau of Emergency Communications AU 620

PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr-End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF EMERGENCY COMMUNICATIONS						
Affirmative Action Measures						
Affirmative Action - Minority	11.8%	11.5%	13.5%	9.2%	10.1%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	68.8%	69.6%	68.1%	69.7%	70.5%	
Female Employees as a Percent of Total						
Bureau of Emergency Communications						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.72		
Worker's Comp Claims per 200,000 Hours Worked	8.13	5.45	9.90	0.72		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.82		
Worker's Comp Claims Cost per \$100 Payroll	\$1.11	\$0.65	\$1.54	\$0.00		
Administration						
Workload						
Administrative cost as a % of total budget.	15.00%	6.00%	5.00%	6.00%	7.00%	6.00%
911 Operations						
Workload						
Emergency 9-1-1 Calls	630,000	580,000	600,000	600,000	600,000	600,000
Non-Emergency Calls	300,000	300,000	300,000	300,000	300,000	300,000
% Calls Answered within 20 Seconds	86.3%	93.0%	92.0%	80.0%	90.0%	90.0%

Bureau of Emergency Communications AU 620

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	10,529,177	10,793,334	9,591,258	9,700,861	9,692,785
External Materials and Services	783,835	1,263,926	381,111	390,596	396,403
Internal Materials and Services	1,142,314	1,095,851	2,769,080	2,735,808	2,730,001
Minor Capital Outlay	0	219,085	0	0	0
Equipment Cash Transfers	159,599	0	500,000	0	0
Total Operating Budget	12,614,925	13,372,196	13,241,449	12,827,265	12,819,189
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 12,614,925	\$ 13,372,196	\$ 13,241,449	\$ 12,827,265	\$ 12,819,189
Allocated Overhead	287,839	274,906	214,363	213,412	221,488
Total Cost with Allocated Overhead	12,902,764	13,647,102	13,455,812	13,040,677	13,040,677
RESOURCES					
Emergency Communication Fund	12,614,925	13,372,196	13,241,449	12,827,265	12,819,189
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Administration	636,292	1,313,260	507,230	734,508	734,508
<i>Positions</i>	<i>9</i>	<i>9</i>	<i>9</i>	<i>9</i>	<i>9</i>
911 Operations	11,978,633	12,058,936	12,734,219	12,092,757	12,084,681
<i>Positions</i>	<i>156</i>	<i>151</i>	<i>124</i>	<i>124</i>	<i>124</i>
TOTAL PROGRAMS	\$ 12,614,925	\$ 13,372,196	\$ 13,241,449	\$ 12,827,265	\$ 12,819,189
<i>Positions</i>	<i>165</i>	<i>160</i>	<i>133</i>	<i>133</i>	<i>133</i>
<i>General Fund Discretionary Positions</i>	<i>105</i>	<i>102</i>	<i>87</i>	<i>87</i>	<i>87</i>

Bureau of Emergency Communications AU 620

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	5,539,230	5,768,965	6,594,766	6,816,592	6,816,592
512000 Part-Time Employees	51,635	94,621	0	0	0
514000 Overtime	948,701	911,085	444,000	329,113	329,113
515000 Premium Pay	21,482	15,186	5,140	5,140	5,140
517000 Benefits	2,666,713	2,710,267	2,547,352	2,550,016	2,541,940
518000 Paid Absence	1,301,416	1,293,210	0	0	0
Total Personnel Services	10,529,177	10,793,334	9,591,258	9,700,861	9,692,785
Materials and Services					
External Materials and Services					
521000 Professional Services	127,058	113,375	46,164	41,000	41,000
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	3,387	1,440	1,590	1,500	1,500
524000 Repair & Maintenance Services	148,397	147,405	142,292	177,660	177,660
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	115,316	126,595	98,051	106,260	112,067
531000 Office Supplies	41,641	32,085	39,212	24,544	24,544
532000 Operating Supplies	22,121	10,438	5,730	7,950	7,950
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	252,813	130,450	11,000	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	50,168	19,590	16,300	14,300	14,300
542000 Local Travel	2,199	2,024	2,194	1,755	1,755
543000 Out-of-Town Travel	10,528	8,521	6,077	6,077	6,077
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	10,207	672,003	12,501	9,550	9,550
Total External Materials and Services	783,835	1,263,926	381,111	390,596	396,403
Internal Materials and Services					
551000 Fleet Services	5,636	5,966	7,298	7,118	7,118
552000 Printing & Distribution	32,251	29,795	36,449	35,511	35,511
553000 Facilities Services	252,383	253,156	294,590	313,319	307,512
554000 Communications Services	462,268	353,120	428,229	441,434	441,434
555000 Data Processing Services	113,822	145,574	1,568,796	1,577,629	1,577,629
556000 Insurance	273,833	306,468	304,427	227,546	227,546
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	2,121	1,772	129,291	133,251	133,251
Total Internal Materials and Services	1,142,314	1,095,851	2,769,080	2,735,808	2,730,001
Total Materials and Services	1,926,149	2,359,777	3,150,191	3,126,404	3,126,404
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	219,085	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	219,085	0	0	0
573000 Equipment Cash Transfers	159,599	0	500,000	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 12,614,925	\$ 13,372,196	\$ 13,241,449	\$ 12,827,265	\$ 12,819,189

Bureau of Emergency Communications AU 620

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	2	2	2	95,524	2	89,631	2	89,631
926	Administrative Services Manager	2	2	1	75,586	1	84,985	1	84,985
929	Bureau Operations Manager	1	1	1	71,527	1	84,430	1	84,430
317	Emergency Comm Operator I	3	3	3	142,853	3	144,585	3	144,585
318	Emergency Comm Operator II	118	110	105	4,954,502	105	5,085,774	105	5,085,774
325	Emergency Comm Supervisor I	10	10	10	612,441	11	693,971	11	693,971
326	Emergency Comm Supervisor II	7	8	6	356,543	5	339,369	5	339,369
917	Emergency Communication Director	1	1	1	97,615	1	95,447	1	95,447
2543	Information Systems Analyst III	2	2	0	0	0	0	0	0
2522	Information Systems Tech I	1	0	0	0	0	0	0	0
2523	Information Systems Tech II	4	5	0	0	0	0	0	0
100	Office Support Specialist I	0	1	1	24,519	1	28,736	1	28,736
102	Office Support Specialist II	0	1	1	31,074	1	32,578	1	32,578
2545	Principal Info Systems Analyst	2	2	0	0	0	0	0	0
953	Principal Management Analyst	1	1	1	64,402	1	67,073	1	67,073
968	Program Manager I	2	2	0	0	0	0	0	0
970	Program Manager II	3	1	1	68,180	1	70,013	1	70,013
971	Program Manager III	3	4	0	0	0	0	0	0
972	Program Manager IV	0	1	0	0	0	0	0	0
973	Program Manager V	0	2	0	0	0	0	0	0
220	Secretarial Clerk I	1	0	0	0	0	0	0	0
221	Secretarial Clerk II	1	0	0	0	0	0	0	0
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		165	160	133	\$ 6,594,766	133	\$ 6,816,592	133	\$ 6,816,592

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	13,403,780	0	13,403,780	133.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(478,805)	0	(478,805)	0.0	7% GF Reduction Overtime
	(58,846)	0	(58,846)	0.0	State Cost Sharing Reduction
	(12,766)	0	(12,766)	0.0	Multnomah County Cost Sharing
	(46,150)	0	(46,150)	0.0	Local Cost Sharing
	1,633	0	1,633	0.0	Fleet Savings
	18,419	0	18,419	0.0	Pension Savings
Approved Budget Additions and Reductions	(8,076)	0	(8,076)	0.0	Technical Adjustment
Adopted Budget Additions and Reductions	0	0	0	0.0	0
	(584,591)	0	(584,591)	0.0	Total FY 2002-03 Decision Packages
			\$ 12,819,189	133.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Fire & Police Disability & Retirement

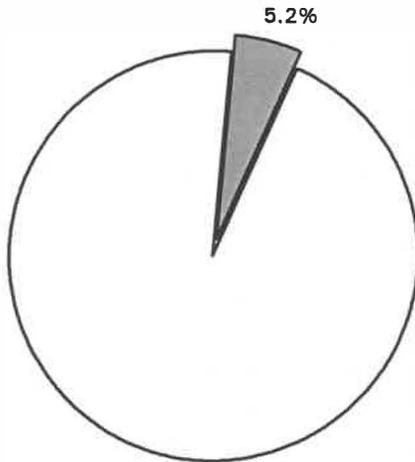
Public Safety Service Area

Auditor Gary Blackmer, Commissioner-in-Charge

Babette Heefle, Director

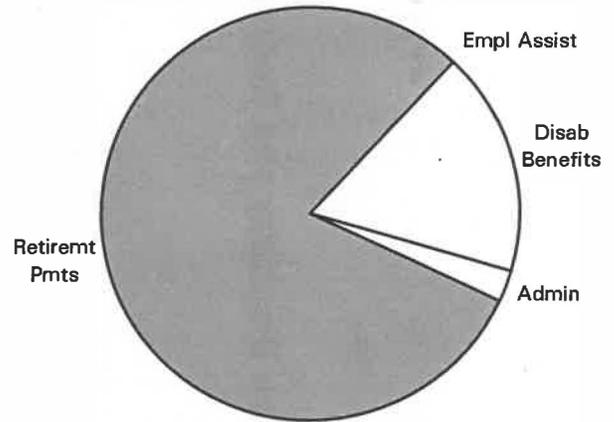
Percent of City Budget

FPD&R = \$72.4 Million



City Budget = \$1.4 Billion

Bureau Programs

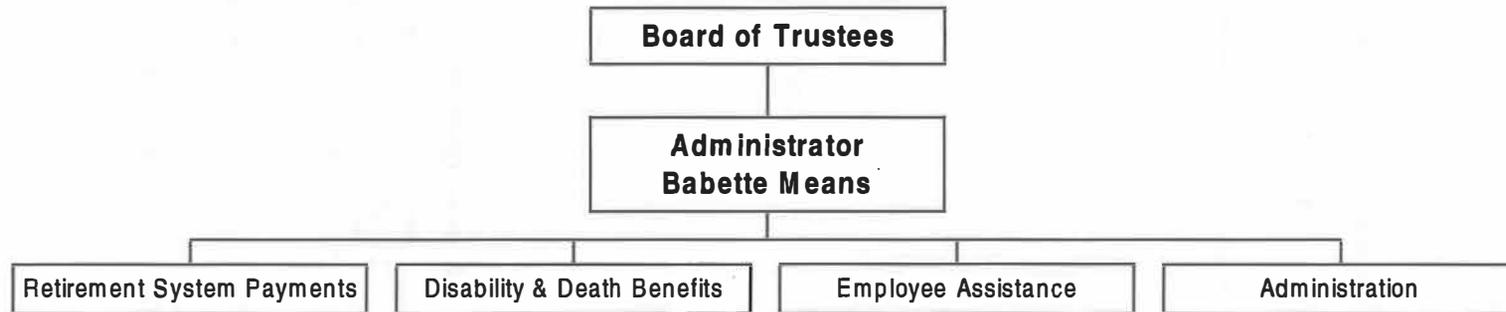


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	67,450,604	72,440,807	4,990,203	1.5%
Capital	0	0	0	0.0%
Allocated Overhead Costs	63,752	84,897	21,145	25.9%
Total Cost with Allocated Overhead	\$ 67,514,356	\$ 72,525,704	\$ 5,011,348	1.6%
Authorized Full-Time Positions	0	0	0	0.0%

Note: Per capita change values are adjusted for inflation and population growth.

Fire and Police Disability and Retirement



Bureau Summary

BUREAU MISSION

We provide disability and retirement benefits to Portland firefighters, police officers, and their survivors as prescribed by City Charter.

VISION AND VALUES

The following mission, vision, and values statements reflect the strategic direction developed by the FPD&R Fund staff:

Mission

We provide disability and retirement benefits to Portland firefighters, police officers, and their survivors as prescribed by City Charter.

Vision

We take care of our members.

Values

- ◆ We offer our members the best possible service by providing benefits in a compassionate and competent manner.
- ◆ We treat our members with respect, dignity, and courtesy.
- ◆ We serve the Board of Trustees with professionalism and efficiency.
- ◆ We fulfill our mission with fiscal responsibility and careful stewardship of the public resources.
- ◆ We maintain a positive and supportive work environment with an atmosphere of mutual respect, teamwork, humor, and camaraderie.
- ◆ We maintain active communication and a free flow of ideas in order to foster individual and organizational development.

BUREAU OVERVIEW

Programs

The bureau is divided into the following four programs:

- ◆ *Retirement System Payments Program* includes the direct costs of pensions or refunds of contributions to members and beneficiaries.
- ◆ *Disability and Death Benefits Program* includes all direct benefit costs for time lost due to disability, medical claims, and death benefits.
- ◆ *Administration Program* includes all other fund expenses which are non-direct costs of providing benefits, including staffing costs, actuarial expenses, legal fees, and other office expenses.
- ◆ *Employee Assistance Program (EAP)* includes the expenses paid by FPD&R associated with management of the Employee Assistance Program for the Police Bureau.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Overview

The Fire and Police Disability and Retirement (FPD&R) Fund provides disability and retirement benefits to the sworn employees and their survivors of the Bureau of Fire, Rescue and Emergency Services and the Bureau of Police of the City of Portland. Chapter 5 of the City Charter establishes the level of benefits and the method of administering benefits. The Charter also provides the Fund with a separate property tax levy authority of up to \$2.80 per \$1,000 of real market value within the City of Portland.

The fund is divided into the following programs:

- ◆ Retirement System Payments
- ◆ Disability and Death Benefits
- ◆ Administration
- ◆ Employee Assistance Program

Board of Trustees

Chapter 5 of the City Charter is administered by a Board of Trustees. The Board also supervises and controls the Fire and Police Disability and Retirement Fund and the Reserve Fund.

The voters of the city of Portland amended the Charter in November 2000 to change the composition of the Board beginning July 1, 2001. The Board of Trustees is composed of the following eleven members: the Mayor, the City Treasurer, the City Auditor, the Chief of Fire or the Chief of Police (on a rotating basis), two elected active members of the Fire Bureau, two elected active members of the Police Bureau, and three citizens, one appointed by the City Council, one appointed by the elected members of the Fire Bureau and the Police Bureau and the other appointed by the entire Board of Trustees.

Membership

As of June 30, 2001, there were 1,594 active, working sworn Fire and Police personnel participating in the Fire and Police Disability and Retirement Plan. There were 1,574 retirees, beneficiaries, and participants with permanent disabilities currently receiving benefits and 28 terminated employees vested but not yet receiving benefits under the plan.

Budget Summary

The FY 2002-03 Adopted Budget supports all on-going activities and services provided to members and the Board of Trustees. The budget also includes two decision packages. The first package totaling \$175,924 is to fund the annualized cost of an additional two and a half positions, office expansion, and additional outside investigative services. The additional staff positions and office expansion were approved by the Board of Trustees in FY 2001-02. The other is a cut package totaling \$74,296 to reduce the Administrative budget by 4.1% of the current service level (CSL) target.

Total fund requirements net of tax anticipation notes for FY 2002-03 are \$75,642,913. Total bureau expenditures are \$72,440,807 including \$57,855,198 for pension and termination benefits, \$12,662,193 for disability and death benefits, \$1,879,204 for administrative expenses and \$44,212 for the Employee Assistance Program. The primary funding source for the FPD&R Fund is property tax revenues which total \$69,708,591 in FY 2002-03.

SUMMARY OF BUDGET DECISIONS

Retirement System Payments	Overall expenditures in retirement system payments total \$57,855,198, an increase of \$3.3 million or 6.0% over the FY 2001-02 Revised Budget. The changes from prior year include an estimated net increase of 56 pension recipients and increases in benefits for the annual cost of living adjustment (COLA). This adjustment is estimated at 4.3% for the Old Plan Fire Bureau retirees, 5.0% for the Old Plan Police Bureau retirees, and a 2% adjustment for the New Plan retirees. The total number of pension recipients estimated by fiscal year ending 2003 is 1,551.
Disability and Death Benefits	Overall expenditures in disability payments total \$12,662,193, an increase of \$1.5 million or 13.5% over the FY 2001-02 Revised Budget. The primary reasons for the change are the cost of living adjustments (COLA's); increasing medical costs above regional inflation rates; overall increase in the number of short-term disability benefit recipients; and relatively expensive New Plan benefit recipients replacing Old Plan benefit recipients in long-term disability benefit.
Administration	The Administration program expenditures increase by \$216,119. This is a 13% increase over the FY 2001-02 Revised Budget. The increase is due to inflationary increases and additional funding for two and a half positions, the office expansion and the additional outside investigative services. The Administrative program budget also includes a cut package offsetting the increase due to the staff additions, the office expansion and the additional outside investigative services by \$74,296.
Employee Assistance Program (EAP)	EAP program expenditures are reduced by \$3,327 or 7.0%. This is due to the termination of the EAP contract with the Fire Bureau. The costs associated with the EAP are completely reimbursed by the Police Bureau.

FUNDING SOURCES

The primary funding source for the Fire and Police Disability and Retirement Fund is property tax revenues totaling \$69.7 million in FY 2002-03, an increase of \$10.0 million or 17%. The large increase in property tax revenues is caused by a lower beginning balance, an increase in requirements and lower interest revenues.

The beginning balance is lower in FY 2002-03 partly due to a change in the fund's general operating contingency policy in FY 2001-02. The FPDR Fund reviewed its contingency policy and reduced the level of contingency from 5% to 2.5% of operating budget beginning FY 2001-02, thus reducing the levy requirements temporarily in FY 2001-02. As a result, approximately one half of the beginning balance is projected to be spent in FY 2001-02, resulting in a lower beginning balance for FY 2002-03.

Chapter 5 of the City Charter provides for separate property tax levy authority up to \$2.80 per \$1,000 of real market value within the city of Portland. In FY 2002-03, the rate is estimated to be approximately \$1.40 per \$1,000 of real market value. Other funding sources include interest income of \$0.7 million and interagency revenues of \$51,412.

Strategic Direction

MAJOR INITIATIVES

Strategic Planning In August 2001, the bureau held an annual strategic planning session. The entire Administration staff, including two liaison personnel from the Fire Bureau and the Police Bureau participated in the session to review the mission, values, and vision statement; review strengths, weaknesses, opportunities, and threats; modify management objectives; and plan strategies to accomplish the objectives. The strategic plan supports the fund's goal of organizational excellence.

MANAGEMENT GOALS & OBJECTIVES

Management Objectives FPD&R's management objectives reflect both continuing objectives and areas of new development which will contribute to the overall goal of organizational excellence.

Continuing Objectives:

- ◆ Provide effective, efficient services to members.
- ◆ Serve the Board of Trustees professionally and efficiently.

New FY 2002-03 Objectives:

- ◆ Improve communications with Trustees, members and the public by developing and publishing an Annual Report, by developing a member handbook, Q&A brochures and other informational materials, and by developing tools for communicating with the public about funding and benefit issues.
- ◆ Continue implementation of the information system and business process improvements plan (Re-engineering Project).
- ◆ Continue development of incentive programs with the Fire and Police bureaus to increase short-term, light-duty and early return to work programs, and evaluate incentives for long-term programs.
- ◆ Improve the support mechanism for disabled members with on-going education and by providing opportunities for sharing experiences and information.

COUNCIL PRIORITIES

Council Issues and Priorities **Maintain a Financially Stable City**

The fund is supported by a separate property tax levy authorized by the voters in 1948. The levy allows a maximum rate of \$2.80 per \$1,000 of real market value. The projected levy for FY 2002-03 is \$1.40 per \$1,000 of real market value. The administrative staff of the fund has continued working with the Office of Management and Finance to ensure financial issues relative the fund are addressed.

Ensure a Safe and Peaceful Community

The fund provides retirement and disability benefits to the sworn police and fire employees of the City. By remaining financially strong and providing promised benefits effectively and efficiently, the fund helps the City to attract and retain the most qualified individuals for important public safety operations.

Overview of Programs

RETIREMENT SYSTEM PAYMENTS

This program provides pension benefits to retired sworn members of the Police and Fire bureaus or their surviving spouses. By the end of FY 2002-03, there are projected to be 1,551 retired members and beneficiaries, an increase of 56 from the projected year end total for FY 2001-02.

Expenses

The expenses for the program are based on current year costs plus expected new retirements, an inflation factor less projected deaths. Retirement benefits for Old Plan retirees are increased in step with increases to the salaries of active firefighters and police officers, an assumed 4.3% for Fire Bureau retirees and 5.0% for Police Bureau retirees. For New Plan retirees, benefits are increased in step with increases to PERS, an assumed 2.0% for FY 2002-03.

Benefits Under the Old Plan

Prior to July 1, 1990, plan participants became eligible for pension benefits only after 20 years of employment if they were 55 years of age or after 25 years of employment if they were 50 years of age. Participants were not entitled to any retirement benefits except for refunds of their contributions into the plan, unless they attained 20 years of service. Pension benefits were paid generally at 60% of the current salary of a first class firefighter or police officer, as defined in the plan.

Benefits Under the New Plan

Effective July 1, 1990, the plan was amended to provide for the payment of benefits upon termination of employment on or after attaining age 55, or on or after attaining age 50 if the member has 25 or more years of service. Members become 100% vested after five years of service. Benefits are paid at retirement using the following formula: 2.2 to 2.8% multiplied by the number of years of service (up to 30). That product is multiplied by the highest one-year base pay the member received during the final three years of the member's employment. A survivor's benefit is paid to a surviving spouse at 25 to 100% of the member's final pension, depending on the accrual rate selected (2.2 to 2.8) at the time of retirement.

DISABILITY & DEATH BENEFITS

This program provides for compensation to sworn members of the Fire and Police bureaus or their survivors for injury, illness or death incurred in the performance of duty. Funding is included for no-time-loss medical claims and short and long-term service, non-service, and occupational disability benefits. Members receive a percentage of their pay for time lost through illness or injury. Vocational rehabilitation costs are also included, as are costs related to physician-directed work hardening.

New Plan Benefits

Sworn Fire and Police members become eligible for membership in the plan immediately upon employment. The New Plan (as amended effective July 1, 1990) provides for occupational or service-connected disability benefits at 75% of the member's base pay reduced by 50% of any wages earned in other employment, with reduced percentages of base pay and offsets for wages earned in other employment for later years. The plan also provides for non-service connected disability benefits at reduced rates of base pay for members with 10 or more years of service.

Old Plan Benefits

Members receiving disability benefits on January 1, 1990, who were not expected to return to work remained under the Old Plan and continue to receive benefits under its provisions. The Old Plan provides for benefits at a rate of 100% of pay initially, reduced to 60% of pay after four years on disability. Under the Old Plan, members on long-term disability remain in disability status until they reach disability retirement age at 64.

During FY 2002-03, there will be 90 members who receive long-term disability benefits covered by the Old Plan. There are estimated to be 83 such members covered by the New Plan. The majority of the Old Plan members receiving disability benefits are past retirement age (50 or 55) and would be receiving the maximum (30 year) pension were they not disabled. The cost of a pension is slightly higher than the disability benefit, due to the increment the plan pays for state tax offset on pensions.

ADMINISTRATION

The Administration program provides funding for all activities and staffing in support of the provision of pension, disability, and death benefits for members of the Fire and Police bureaus and their survivors. Staffing is provided through an interagency agreement with the City Auditor's Office.

The FY 2002-03 program budget includes additional funding for two and a half positions, office expansion, and additional outside claims investigative services. The additional funding was approved by the Board of Trustees in September 2001. The new positions are an Assistant Risk Specialist, a Claims Technician and a half-time Administrative Assistant.

Administrative functions include processing applications for benefits, issuing payments for approved claims, tracking payments, and monitoring and forecasting the financial status of the fund. Staff also provides assistance to, and answers inquiries from the Board of Trustees, members, attorneys, medical providers, and the public.

EMPLOYEE ASSISTANCE

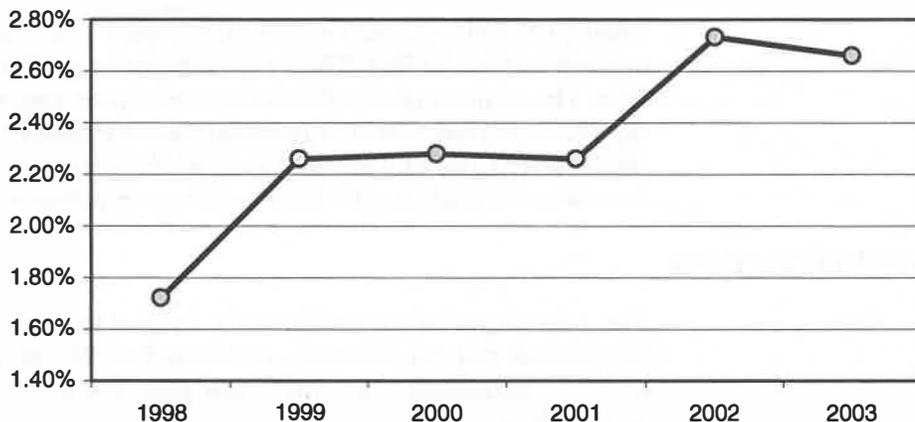
Management of the Police Bureau's Employee Assistance Program (EAP) has been provided by the Fire and Police Disability and Retirement Fund since July 1, 1997. Similar management services had been provided for the Fire Bureau's EAP, however the contract with the Fire Bureau was terminated effective January 31, 2002.

The purpose of the program is to promote the health and well-being of Police personnel through education, mental health resources, and by training and using peer support volunteers. Fire & Police Disability & Retirement (FPD&R) staff provides supervision and management oversight of the program. Office space is leased in conjunction with the FPD&R in order to house the EAP program in a central location. The FY 2002-03 program budget is \$44,212. Direct expenses paid by FPD&R, as well as overhead expenses and management time, are reimbursed by the Police Bureau via an interagency agreement (I/A).

Performance Measures

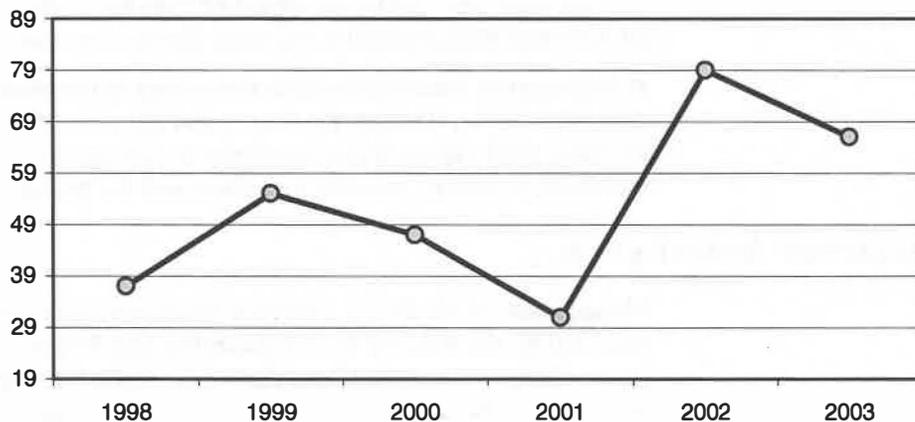
Administrative Cost as a Percentage of Total Budget

- ◆ Administrative costs have historically been between 2% and 3% of the total budget or less.
- ◆ The low amount in 1998 was due to a large one-time expense in total costs for retroactive pension payments.



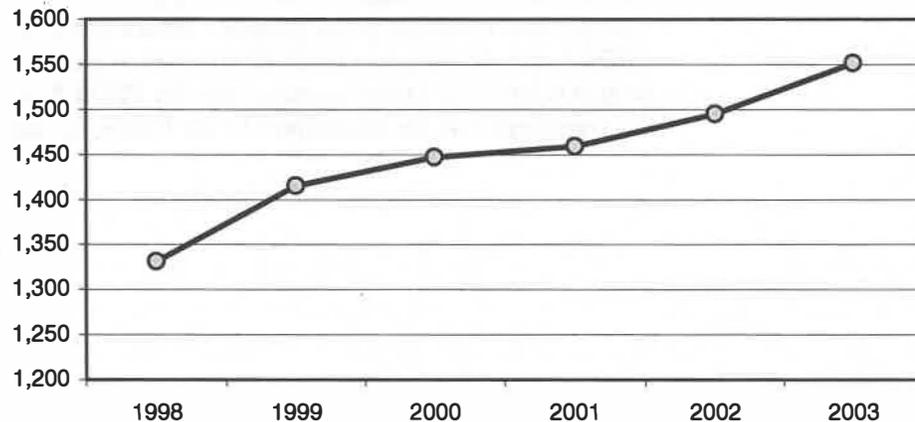
Number of Retirements from Active Service

- ◆ The number of retirements are largely due to the demographics of the fire and police bureaus.
- ◆ Other factors influencing retirement choices include economics, labor contracts, work satisfaction and morale, and bureau policies.

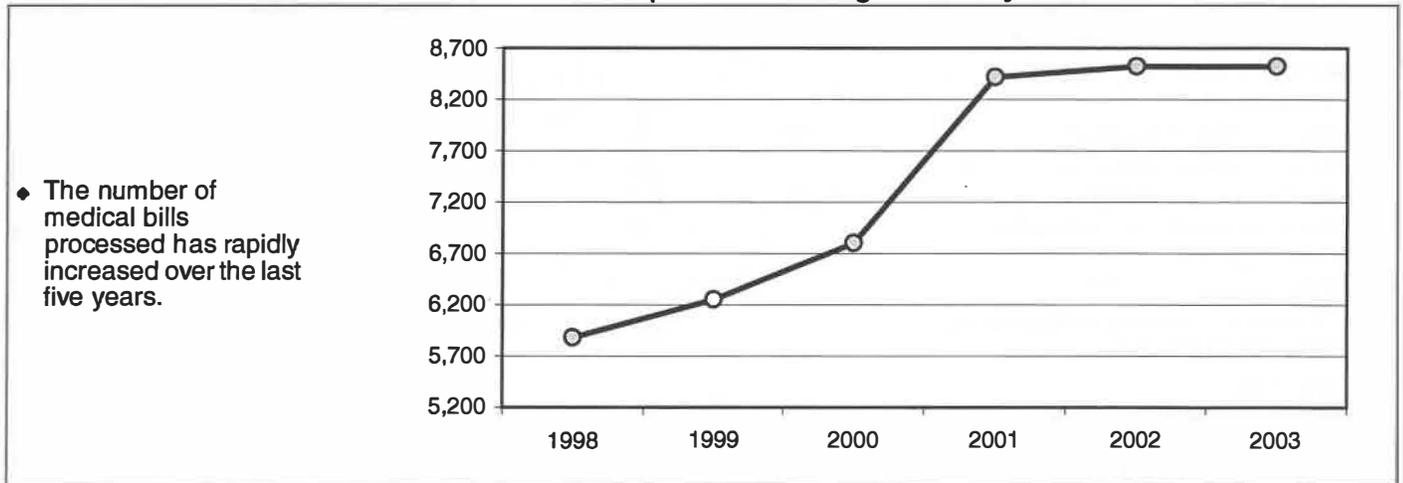


Number of Pension Recipients

- ◆ Longer life expectancies and hiring patterns affect the size of the retiree membership.



Number of medical bills processed during the fiscal year



Fire & Police Disability & Retirement AU 337

PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
FIRE & POLICE DISABILITY & RETIREMENT						
Fire & Police Disability & Retirement						
Retirement System Payments						
Workload						
Number of new plan retirees	37	55	47	31	79	66
Number of pension estimates	71	228	305	261	261	261
Number of Pension Recipients	1,331	1,415	1,447	1,459	1,495	1,551
Number of pre-retirement workshop participants		75	80	57	71	71
Effectiveness						
Percentage of workshop participants who rated workshop helpful		100%	100%	100%	100%	100%
Efficiency						
Percentage of pension estimates processed within one week	40%	94%	90%	87%	87%	95%
Disability & Death Benefits						
Workload						
Number of new no-time loss claims	216	152	143	176	183	183
Number of new time loss claims	308	304	344	296	310	310
Number of members on short-term disability	317	331	334	333	333	357
Number of Medical Bills	5,877	6,250	6,799	8,416	8,520	8,520
Effectiveness						
Medical cost savings	\$314,670	\$382,741	\$288,291	\$435,926	\$476,927	\$534,376
Medical Cost Savings Realized Through Negotiated Fee Reductions						
Savings as a % of total medical costs	19.0%	24.9%	14.3%	20.5%	20.5%	20.5%
Percentage of total costs saved						
Administration						
Effectiveness						
Percentage of members reported "satisfied" with service.	99%		99%		99%	
Efficiency						
Administrative Cost as a Percentage of Total Budget	1.72%	2.26%	2.28%	2.26%	2.73%	2.66%

Fire & Police Disability & Retirement AU 337

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	0	0	0	0	0
External Materials and Services	56,290,082	59,818,296	66,441,627	71,285,689	71,285,689
Internal Materials and Services	790,547	918,352	998,146	1,155,118	1,155,118
Minor Capital Outlay	11,426	0	10,831	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	57,092,055	60,736,648	67,450,604	72,440,807	72,440,807
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 57,092,055	\$ 60,736,648	\$ 67,450,604	\$ 72,440,807	\$ 72,440,807
Allocated Overhead	84,343	79,114	63,752	79,858	84,897
Total Cost with Allocated Overhead	57,176,398	60,815,762	67,514,356	72,520,665	72,525,704
RESOURCES					
Fire & Police Disability & Retirement	57,092,055	60,736,648	67,450,604	72,440,807	72,440,807
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Retirement System Payments	46,800,851	49,442,701	54,585,004	57,855,198	57,855,198
<i>Positions</i>	0	0	0	0	0
Disability & Death Benefits	8,989,121	9,921,944	11,159,211	12,662,193	12,662,193
<i>Positions</i>	0	0	0	0	0
Administration	1,272,886	1,345,039	1,663,085	1,879,204	1,879,204
<i>Positions</i>	0	0	0	0	0
Employee Assistance	29,197	26,964	43,304	44,212	44,212
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 57,092,055	\$ 60,736,648	\$ 67,450,604	\$ 72,440,807	\$ 72,440,807
<i>Positions</i>	0	0	0	0	0
<i>General Fund Discretionary Positions</i>	0	0	0	0	0

Fire & Police Disability & Retirement AU 337

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
Total Personnel Services	0	0	0	0	0
Materials and Services					
External Materials and Services					
521000 Professional Services	221,940	199,855	409,044	403,979	403,979
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	13,655	13,119	14,542	13,162	13,162
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	56,635	55,966	48,972	56,869	56,869
531000 Office Supplies	11,818	12,881	15,975	21,023	21,023
532000 Operating Supplies	(323)	0	1,500	1,500	1,500
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	38,919	18,847	16,732	17,506	17,506
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	10,841	13,080	11,093	10,337	10,337
542000 Local Travel	244	441	586	606	606
543000 Out-of-Town Travel	39,878	17,807	48,601	45,238	45,238
544000 Space Rental	106,265	119,155	130,367	198,078	198,078
545000 Interest	0	0	0	0	0
546000 Refunds	30,019	35,711	54,995	56,260	56,260
547000 Retirement System Payments	55,760,154	59,328,934	65,689,220	70,461,131	70,461,131
549000 Miscellaneous	37	2,500	0	0	0
Total External Materials and Services	56,290,082	59,818,296	66,441,627	71,285,689	71,285,689
Internal Materials and Services					
551000 Fleet Services	0	0	0	0	0
552000 Printing & Distribution	35,243	38,094	34,156	35,115	35,115
553000 Facilities Services	15	114	0	0	0
554000 Communications Services	9,580	14,707	13,131	14,822	14,822
555000 Data Processing Services	8,053	14,822	14,641	14,442	14,442
556000 Insurance	0	0	0	0	0
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	737,656	850,615	936,218	1,090,739	1,090,739
Total Internal Materials and Services	790,547	918,352	998,146	1,155,118	1,155,118
Total Materials and Services	57,080,629	60,736,648	67,439,773	72,440,807	72,440,807
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	11,426	0	10,831	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	11,426	0	10,831	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 57,092,055	\$ 60,736,648	\$ 67,450,604	\$ 72,440,807	\$ 72,440,807

Fire & Police Disability & Retirement AU 337

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	72,340,143	0	72,340,143	0.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(74,296)	0	(74,296)	0.0	Admin Expense Reduction
	175,924	0	175,924	0.0	Staffing & Office Expansion
	(330)	0	(330)	0.0	Adjust Communications Interagency
	(634)	0	(634)	0.0	Adjust B.I.T. Interagency
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	100,664	0	100,664	0.0	Total FY 2002-03 Decision Packages
			\$ 72,440,807	0.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted



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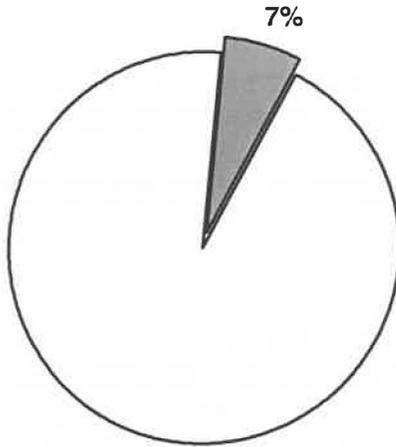


Parks, Recreation and Culture

Portland Parks and Recreation

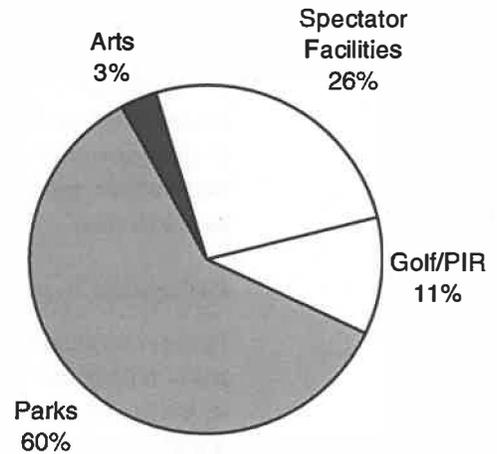
Percent of City Budget

Parks, Recreation, & Culture = \$88.9 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	49,883,802	48,124,231	-1,759,571	-8.8%
Capital	14,201,570	5,137,863	-9,063,707	-65.8%
Allocated Overhead Costs	1,899,763	1,763,108	-136,655	-12.3%
Total Cost with Allocated Overhead	\$ 65,985,135	\$ 55,025,202	\$ -10,959,933	-21.2%
Authorized Full-Time Positions	403	365	-38	-14.4%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Parks, Recreation and Culture Service Area includes services for Parks, Golf, Portland International Raceway, Regional Arts and Culture Council, Spectator Facilities funds, and Parks construction funds.

MAJOR THEMES

Parks and Recreation

General Fund Reductions

Portland Parks and Recreation (PP&R) has developed \$2.2 million in program and maintenance reductions in response to budget direction balancing the City's General Fund. Reductions affect all areas of the parks system: recreation and after school programs, horticulture and urban forestry, operation and maintenance. These reductions include 28 position cuts.

Reductions to meet Current Service Levels

In order to balance its budget internally, before providing \$2.2 million of reductions, PP&R made reductions that equate to \$672,000 of service cuts. Included in these reductions are seven positions, reduced funding for after school programs, and reduced open restrooms. Recreation and events fees are also increased to raise \$191,000 of additional revenue to address increased costs.

A proposed cut to mowing of school sports fields has been restored for FY 2002-03 only.

Parks Local Option Levy

A five-year local option serial levy on the May, 2002 ballot received 70% support of those who voted, yet was invalid because voter turnout was less than 50%. The levy has been resubmitted for the November, 2002 election. This new levy, if approved, will provide approximately \$9 million to Portland Parks and Recreation in FY 2003-04, and \$9.7 million in the each of the next four years. Funds would be used to address four major themes of the parks system:

- ◆ Restore \$2.2 million in cuts made in FY 2002-03;
- ◆ Provide access to recreational programs for \$1.05 million;
- ◆ Provide safe places to play at \$3.95 million; and
- ◆ Restore, renovate, and maintain the parks system for \$1.7 million.

Capital Improvement Plan

Parks budget for capital improvement plan (CIP) totals \$7.7 million. Of this, \$900 thousand is supported by the City's General Fund and \$6.9 million comes from other sources. These sources include \$3.0 million from the local option levy, \$1.7 million from system development charges, and \$500 thousand from federal grants.

Significant projects supported by the General Fund include:

- ◆ Columbia Pool HVAC and Lighting
- ◆ Renovation of Westmoreland park
- ◆ Three bridges and trail connections on the Springwater Trail
- ◆ Continued installation of irrigation wells

Projects dependent upon the local option serial levy include:

- ◆ Renovation of O'Bryant Square
- ◆ Construction of a pool at the East Portland Community Center
- ◆ Replacement of unsafe play structures and removal of lead-based paints
- ◆ Construction of two neighborhood skate parks
- ◆ Replacement of deteriorating infrastructure at Wilson pool
- ◆ Completion of renovations at the University Park Community Center



Portland Parks and Recreation

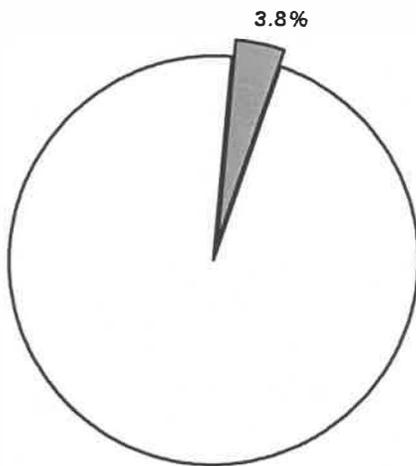
Parks, Recreation and Culture Service Area

Jim Francesconi, Commissioner-in-Charge

Charles Jordan, Parks Director

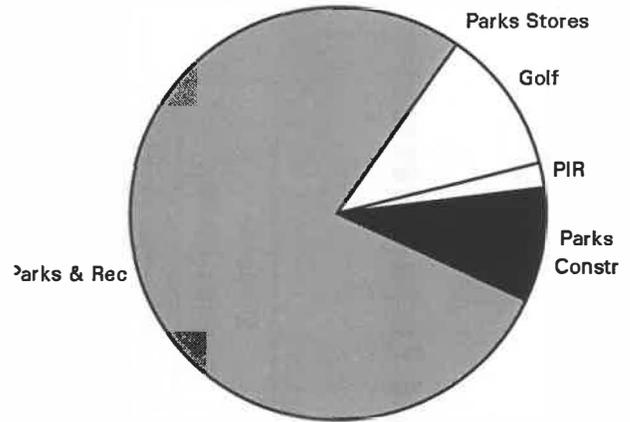
Percent of City Budget

Parks = \$53.3 Million



City Budget = \$1.4 Billion

Bureau Divisions

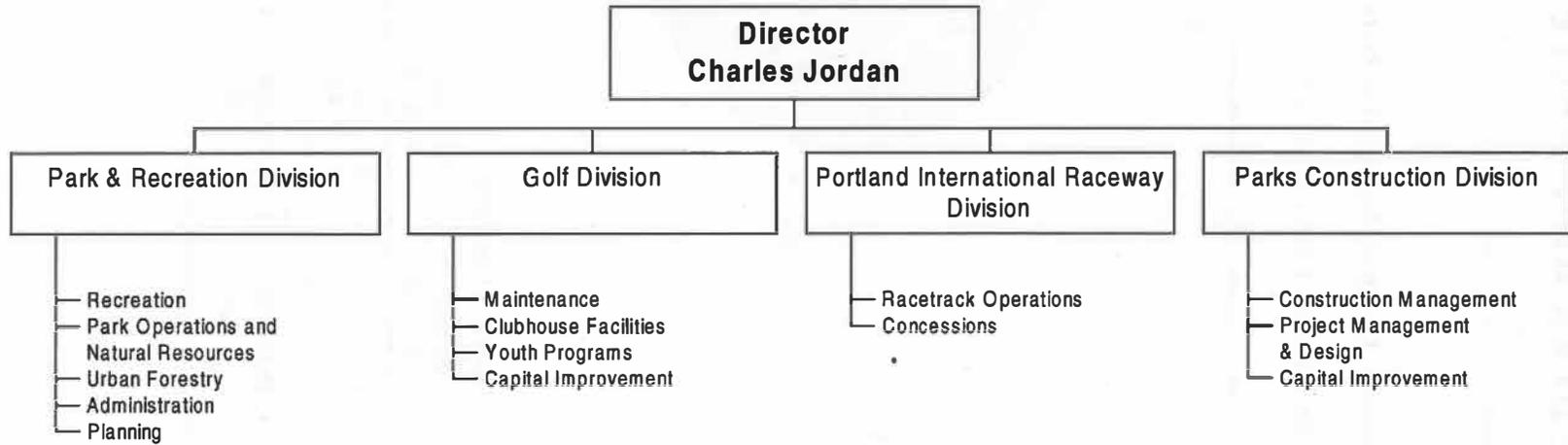


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Note: Per capita change values are adjusted for inflation and population growth.

Portland Parks & Recreation



Bureau Summary

BUREAU MISSION

Portland Parks and Recreation is dedicated to ensuring access to leisure opportunities and caring for Portland's public green spaces.

VISION AND VALUES

The vision and values statements articulate the basic principles that motivate Portland Parks & Recreation employees and guide the bureau's decisions.

Parks 2020 Vision

Portland's parks, public places, natural areas and recreational opportunities give life and beauty to our city. These essential assets connect people to place, self and others. Portland's residents will treasure and care for this legacy, building on the past to provide for future generations.

Portland Parks & Recreation Values

Customer Service

We strive to give the best service possible to our customers.

Working Together

We value working together and with others in the community, and we actively seek volunteers, partnerships, and cooperative efforts with other organizations.

Positive Recreation

When organizing recreational opportunities for the public, we seek activities that are enjoyable and promote positive community values:

- ◆ Lifelong learning
- ◆ Cooperation and teamwork
- ◆ Health and fitness
- ◆ Creativity
- ◆ Sense of community, both responsibility and belonging
- ◆ Respect for the natural environment

Heritage

We value our parks heritage and accept the stewardship to build on that legacy for the benefit of future generations.

Inclusiveness

We respect the diversity of people's abilities, recreational interests, and circumstances, and we strive to give everyone a chance to participate.

Youth Development

We have a special commitment to encourage positive youth development and healthy families. Young people represent the future of Portland, and we value the opportunity to influence their lives.

PP&R has a special commitment to youth and families.

Accountability

We are accountable to the public for the dollars we spend and the services we provide, and we value the trust the public places in us.

Employees

We value and respect our fellow employees, and we recognize that the vitality of our organization rests on employee input, commitment, energy, and skills.

Safety

We are committed to safety for the public and each other.

Nature

We value the beauty and harmony of the natural environment, and we aim to bring people to contact with nature in ways that are beneficial to both.

BUREAU OVERVIEW

Organizational Description

Within its mission, Portland Parks & Recreation has three types of interrelated responsibilities:

- ◆ To care for parks, natural areas, and the urban forest;
- ◆ To provide suitable land and facilities for public recreation; and
- ◆ To organize recreational pursuits that foster personal health and build a sense of community.

About 70% of PP&R's recreation programming is oriented to youth.

In carrying out these responsibilities, Portland Parks and Recreation (PP&R) manages over 10,000 acres of public park land, ranging from intensely developed plazas like Pioneer Courthouse Square to large natural areas like Forest Park and Powell Butte. The bureau organizes or provides space for recreational opportunities within those parks and at over 50 recreational facilities, such as swimming pools, community centers, community schools, art centers, and museums.

PP&R's volunteers give the equivalent of approximately 200 full-time employees' time, with an estimated value of about \$3.5 million each year.

Providing this service to the community requires a combination of taxpayer funding, income from recreation programs, and extensive volunteer support. In a typical year, roughly half of the dollars spent by the bureau comes from General Fund taxpayer dollars. Much of PP&R's private support doesn't show up in the budget figures, because it consists of in-kind donations or volunteer time.

For fiscal year 2002-03, PP&R's total budget for all of its funds will total \$55.7 million. Of this total, \$30.0 million will come from General Fund taxpayer dollars, with about \$25.7 million coming from other sources. The non-tax funding primarily comes from recreation user fees and charges to other bureaus for landscape maintenance, with some grants, donations, developer charges, and rental charges included in the funding mix.

HIGHLIGHTS OF PROGRAMS AND SERVICES

In the past year there have been several notable accomplishments in Parks and Recreation:

- ◆ The completion of the Parks 2020 Vision Plan. This was a two-year long planning process, involving hundreds of citizens and extensive consideration, that focused on the long-range needs and opportunities for the parks and recreation system.
- ◆ The creation of a Park Board and a Park Foundation, both of which were called for in the 2020 Vision Plan.
- ◆ The development of a proposal for local option levy for the May 2002 ballot. The proposal could not take effect because of insufficient voter turnout, but it was supported by 70% of those who did vote. The same proposal will be back on the ballot in November, when there is no double majority requirement.
- ◆ The opening of the Eastbank Esplanade, a park and trail running from the Steel Bridge to the Hawthorne Bridge.
- ◆ The opening of the Children's Museum Second Generation (CM2) in newly renovated space in Washington Park.
- ◆ The acquisition of land parcels, ranging in size from a few thousand square feet to twenty acres, using systems development charge revenue. Most of this acreage will be land-banked until both capital and maintenance funding can be obtained for the development.
- ◆ The creation of a set aside, an explicit allocation in the five-year General Fund financial forecast, to fund the projected operating and maintenance (O&M) costs arising from the acquisition of new land and facilities. This set aside and the City's O&M funding policy help ensure the incremental cost of new maintenance responsibilities is identified and funding committed at the time a capital proposal is approved.

SUMMARY OF BUDGET DECISIONS

The FY 2002-03 budget contains several significant funding cuts.

Discretionary General Fund Resources: Support for the ongoing Parks budget will be about \$2.2 million less than the current service level. This means the closure of seven community schools and two swimming pools, cutbacks in the mowing of parks, and cuts in the staff available to pick up litter, clean restrooms, and other basic park maintenance tasks.

General Fund Capital: The FY 2002-03 General Fund allocation for parks capital needs is budgeted at \$900,000, compared with approximately \$2.1 million in FY 2001-02.

Interagency Revenues: In addition to General Fund reductions, the bureau also faces cuts in the level of interagency services required by other City bureaus. For example, over the past four years, the Office of Transportation's contract with Parks to maintain the landscaping in the street medians has been reduced from over \$1 million per year to zero in the coming year. Similarly, the Portland Development Commission's uncertainties about its resources means a reduced need for park design and construction management services.

BUDGET NOTES

Cost of Service - Recreational Programs

The Parks Bureau, in consultation with the Bureau of Financial Planning, shall update their cost of service study to include the total cost for all programs. The bureau will use the data from this study to develop and deliver to Council a recommendation on what level of subsidy is appropriate for its programs and services.

Strategic Direction

SIGNIFICANT ISSUES

Three primary issues are reflected in this budget.

Growing Demand, Constrained Resources

As with other City bureaus this year, the biggest issue with Parks & Recreation is the tension between rising public expectations and constrained resources. The Auditor's annual survey shows that not only are more people living in Portland, but they are visiting parks more frequently than in the past. Recent years' growth in field sports, such as youth soccer, also creates more demand for park services. In addition, the growth in Portland's non-English-speaking population creates a growing number of youth and families who are not served very well by existing recreation programs. At the same time, fiscal constraints on the General Fund mean that the resources available to meet those demands are not keeping up. The FY 2002-03 budget includes a reduction of \$2.2 million from the discretionary General Fund that would be needed to continue at current service levels.

School District Budget Woes

Another key issue arises from the fiscal dilemma faced by Portland's school districts, particularly Portland Public Schools. In response to its budget problems last year, the Portland District decided to discontinue mowing of elementary and middle school fields. It also decided to begin charging more formally than in the past for PP&R's use of school gyms and classrooms for public recreation programs. The 2002-03 budget includes one-time funding to continue mowing the school fields at a minimal level, but there is no additional funding for the facility use charges. As a result, PP&R has to reduce the funding support it has given to the District in past years for sports and other after-school programs operated by the District.

Infrastructure Condition and Capital Funding

The capital budget and the condition of existing park infrastructure is the third major issue reflected in this budget. Parks & Recreation is responsible for about 72% of the total General Fund infrastructure - about \$249 million worth of assets. Securing capital funding for the periodic renovation or replacement of these assets has been a persistent challenge. Some capital funding for replacement or renovation is included in the levy proposal that was re-submitted to the voters for the November election - \$10.5 million over five years, or an average of \$2.1 million per year. Should the levy pass in November, funds will be available for the fiscal year beginning July, 2003. General Fund support for parks capital in FY 2002-03 will be \$900,000 - its lowest point in five years and less than half the amount for the previous year.

MANAGEMENT GOALS & OBJECTIVES

Management Goals and Objectives

Parks 2020 Strategies - Immediate Next Steps:

- ◆ Establish a Parks and Recreation Board.
- ◆ Establish a Parks Foundation.
- ◆ Develop a 20-year capital plan.
- ◆ Develop a comprehensive marketing and community involvement plan.
- ◆ Develop a comprehensive partnership plan.
- ◆ Develop long- and short-term funding plans.

COUNCIL PRIORITIES

Council Issues and Priorities

The City Council's priorities that PPP&R most directly supports with its mission and actions are:

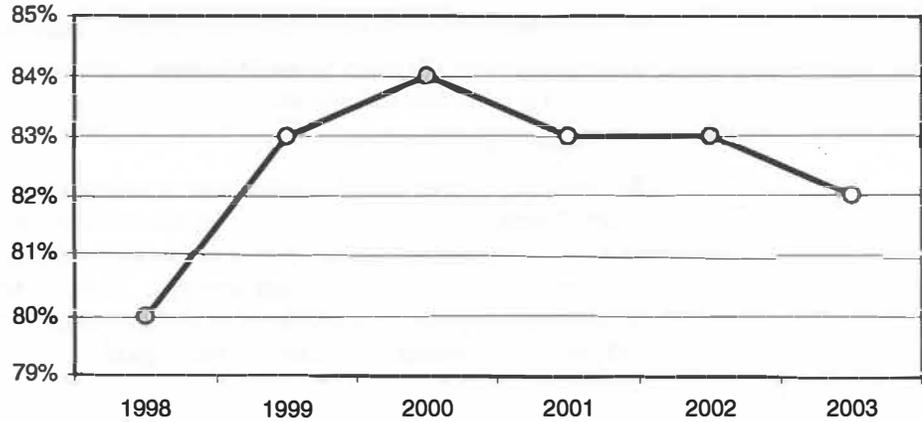
- ◆ Maintain and improve parks, green spaces, water and air sheds.
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in City activities and services.
- ◆ Support quality education.

The park development and maintenance function within PP&R fits squarely within the first Council goal. The Recreation program has more of an emphasis on supporting quality education and promoting the inclusion of under-represented neighborhoods and groups in participation in City activities and services. Also, by building a sense of community and contributing to positive youth development, recreation programs also help develop a safe and peaceful community, another Council goal.

Performance Measures

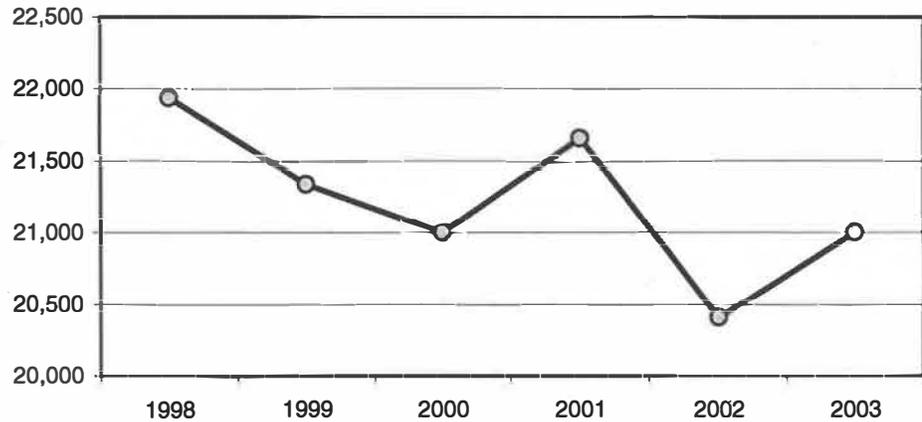
Parks Grounds Maintenance - Citizen Satisfaction

- ◆ Citizen satisfaction with park maintenance will probably decline as the quality of park maintenance is visibly reduced.



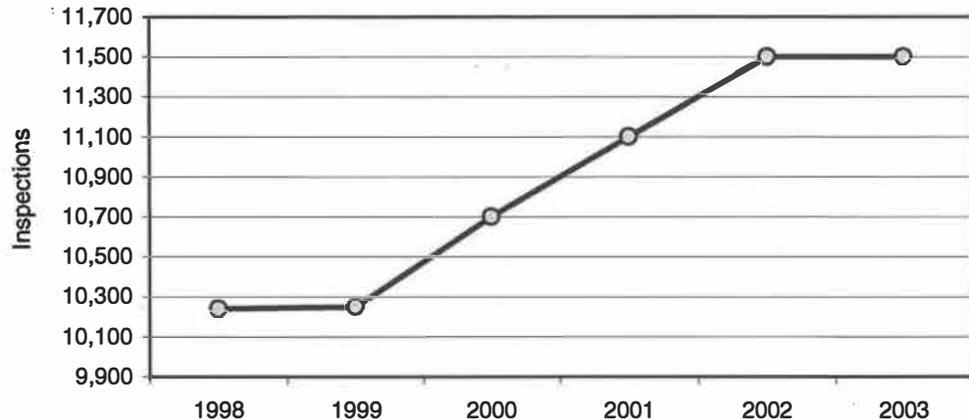
Number of Summer Swim Lessons Taught

- ◆ Due to the availability of new indoor pools, more people are taking swim lessons year-round. So the number of summer swim lessons have been dropping in recent years even though the year-round total has been increasing.



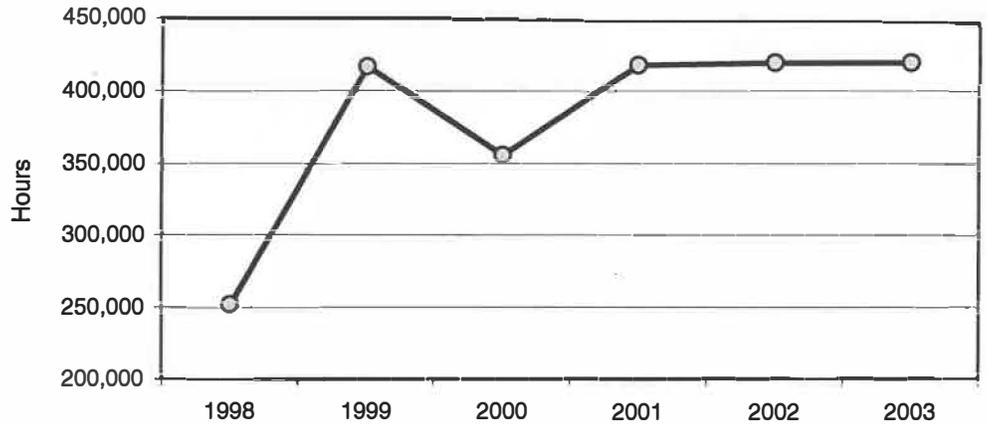
Number of Trees Inspected

- ◆ Increase during FY 2001 reflects the first full year of the Residential Ordinance being in effect.

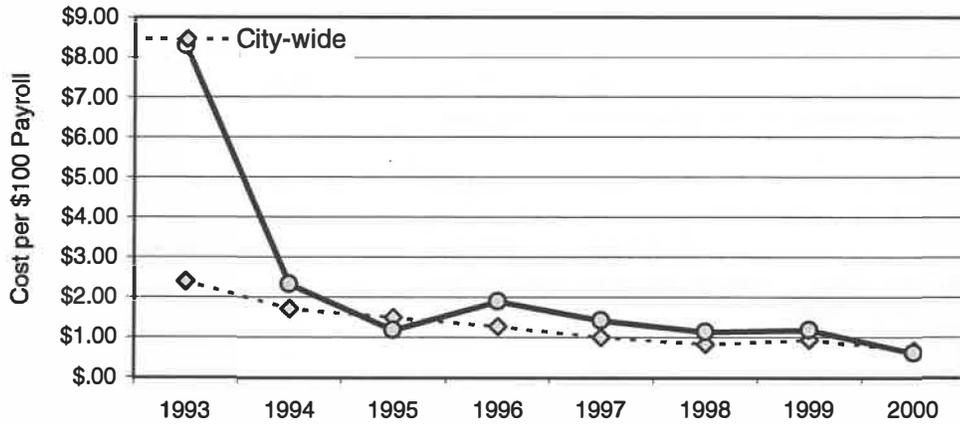


Volunteer Hours Documented

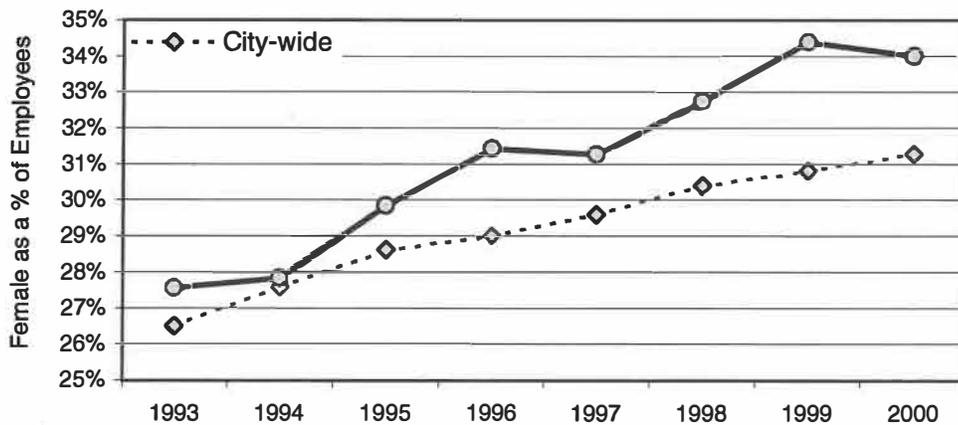
◆ Over 6,000 Portland residents volunteered for 418,000 hours, which valued at an entry level rate would have cost \$3.5 million. This is the equivalent of employing 201 full time staff members.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
PORTLAND PARKS AND RECREATION						
Affirmative Action Measures						
Affirmative Action - Minority	13.3%	14.5%	14.1%	15.1%	14.7%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	43.5%	33.2%	34.4%	33.3%	32.7%	
Female Employees as a Percent of Total						
Golf Fund						
Risk Data						
General Liability Claims per 200,000 Hours Worked	8.06	8.63	6.40	1.80		
Worker's Comp Claims per 200,000 Hours Worked	18.12	12.95	14.93	9.02		
Fleet Claims per 100,000 Miles Driven	2.23	0.00	2.01	6.14		
Fleet Claims Cost per 100,000 Miles Driven	\$4,012	\$0	\$1,670	\$16,670		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.01	\$0.01	\$0.02		
Worker's Comp Claims Cost per \$100 Payroll	\$2.56	\$0.56	\$1.78	\$0.20		
Golf Operations						
Workload						
Total Course Acres Maintained	680	680	680	680	680	680
The total acreage maintained by the Golf Division's maintenance staff.						
Effectiveness						
Total Golf Rounds Played	524,157	493,568	461,858	485,345	490,000	491,000
Total nine-hole equivalent rounds played						
Net Operating Income	\$1,276,000	\$801,000	\$894,774	\$895,000	\$895,000	\$2,400,000
Total revenue less total operating expenses less general fund overhead.						
Parks and Recreation - General Fund						
Risk Data						
General Liability Claims per 200,000 Hours Worked	11.79	7.61	11.35	5.16		
Worker's Comp Claims per 200,000 Hours Worked	17.06	15.43	11.55	10.67		
Fleet Claims per 100,000 Miles Driven	1.06	0.72	0.91	0.93		
Fleet Claims Cost per 100,000 Miles Driven	\$3,416	\$998	\$2,740	\$1,030		
General Liability Claims Cost per \$100 Payroll	\$0.71	\$0.62	\$0.58	\$0.08		
Worker's Comp Claims Cost per \$100 Payroll	\$1.41	\$1.12	\$1.17	\$0.60		
Parks/Natural Resources						
Workload						
Total number of acres maintained	8,554	8,896	8,967	8,967	9,000	9,030
Total number of acres, developed and natural areas, but excluding PIR and golf courses, which are maintained by Portland Parks and Recreation.						
Effectiveness						
Parks Grounds Maintenance - Citizen Satisfaction	80%	83%	84%	83%	83%	82%
Percentage of citizens rating parks maintenance quality as "good" or "very good".						
Park Condition Rating	6.57	N/A	N/A	6.70	6.70	6.70
Park condition rating on a 1 to 10 scale, with 1 being unacceptable and 10 being excellent.						
Recreation						
Workload						
Number of Summer Swim Lessons Taught	21,934	21,336	21,000	21,655	20,409	21,000

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Total Recreation Attendance	2,257,108	2,405,909	3,792,622	3,961,622	3,970,000	3,970,000
Effectiveness						
Percentage of Youth Participating	51%	N/A	49%	53%	52%	52%
Percentage of youth population that participate in any of the Parks youth recreation offerings during the year.						
Citizens' Rating of Recreation Programs	69%	74%	75%	74%	75%	75%
Percent of citizens rating the quality of recreation programs either "good" or "very good".						
Forestry						
Workload						
Number of Inspections Performed	10,240	10,250	10,700	11,100	11,500	11,500
The total number of Urban Forestry inspections performed for residential and commercial customers during the fiscal year.						
Effectiveness						
Average Backlog of Permits	3.90	3.50	2.50	2.50	2.50	2.50
The average time in weeks that the Urban Forestry crews are backlogged for issuing Forestry permits.						
C I P						
Workload						
Number of Developed Parks	158	159	160	162	162	163
Number of developed and semi-developed parks in the Portland Parks system.						
Number of Active Projects	58	58	57	43	40	32
Number of active projects being managed by the Design, Construction, and Capital Improvements staff.						
Administration						
Workload						
Number of Full-time Positions filled	334	365	377	386	403	365
Total number of Full-time positions filled, including Golf, PIR, and Parks Construction Fund.						
Number of Part-time FTE	222	233	275	295	295	300
Number of Full-Time Equivalent positions in Part-time.						
Effectiveness						
Percent Employee Satisfaction	N/A	N/A	77%	75%	75%	75%
A survey is conducted periodically which includes a question asking if the employee is satisfied working at Portland Parks.						
Efficiency						
Volunteer Hours Documented	251,702	417,244	355,875	418,080	420,000	420,000
The total number of volunteer hours contributed to helping further the mission and work of Portland Parks and Recreation.						
Portland International Raceway Fund						
Risk Data						
General Liability Claims per 200,000 Hours Worked	14.85	0.00	0.00	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	12.87	0.00	12.88		
Fleet Claims per 100,000 Miles Driven	21.32	0.00	13.85	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$9,552	\$0	\$16,070	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.04	\$0.00	\$1.31		
Portland International Raceway						
Workload						
P.I.R. Number of Use Days	474	491	511	524	520	520
Total Event times total day of each event						
P.I.R. Attendance (est.)	344,770	348,099	360,000	350,000	350,000	375,000
Total cumulative attendance at all PIR events						

Portland Parks and Recreation AU 765, 766, 325, 130, 608, 617 SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	27,506,761	29,044,872	29,558,905	30,639,916	28,599,468
External Materials and Services	11,777,572	13,018,991	12,779,751	14,814,176	12,759,751
Internal Materials and Services	4,642,008	4,950,817	6,335,425	6,743,771	6,653,422
Minor Capital Outlay	77,027	2,722,621	959,721	111,590	111,590
Equipment Cash Transfers	205,000	258,500	250,000	0	0
Total Operating Budget	44,208,368	49,995,801	49,883,802	52,309,453	48,124,231
Capital Improvements	17,669,820	6,447,944	14,201,570	8,603,887	5,137,863
TOTAL BUREAU EXPENDITURES	\$ 61,878,188	\$ 56,443,745	\$ 64,085,372	\$ 60,913,340	\$ 53,262,094
Allocated Overhead	1,932,082	2,497,064	1,899,763	1,684,292	1,763,108
Total Cost with Allocated Overhead	63,810,270	58,940,809	65,985,135	62,597,632	55,025,202
RESOURCES					
Discretionary Revenues					
PP&R Operating Support	28,296,150	29,796,859	30,274,568	29,403,080	29,933,305
Parks Construction (Capital)	2,105,000	1,520,000	2,133,450	900,000	900,000
Parks Stores Revenue	16,063	10,937	25,000	25,000	25,000
Total Discretionary Revenues	30,417,213	31,327,796	32,433,018	30,328,080	30,858,305
Non-Discretionary Revenues					
PP&R Grants & Donations	324,267	157,120	250,433	30,000	30,000
PP&R Contract Revenues	412,941	188,553	24,900	100,670	100,670
PP&R Interagency Revenues	3,019,076	3,341,786	3,598,113	7,459,342	2,549,342
PP&R Fees & Permits	7,135,505	8,090,081	8,477,449	9,038,015	8,847,461
Parks Bond Construction Fund	10,458,444	1,195,978	0	0	0
Parks Construction Fund	1,438,399	9,030,427	8,339,095	6,813,887	3,785,173
Golf Fund Revenues	7,822,074	5,362,803	9,985,068	6,072,747	6,072,747
PIR Fund Revenues	834,206	968,941	977,296	1,070,599	1,018,396
Total Non-Discretionary Revenues	31,444,912	28,335,689	31,652,354	30,585,260	22,403,789
TOTAL RESOURCES	61,862,125	\$ 59,663,485	\$ 64,085,372	\$ 60,913,340	\$ 53,262,094
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
DIVISIONS					
Parks and Recreation - General Fund	39,204,002	41,574,431	42,625,463	46,031,107	41,460,778
<i>Positions</i>	<i>327</i>	<i>337</i>	<i>344</i>	<i>341</i>	<i>310</i>
Golf Fund	7,822,074	5,362,803	9,985,068	6,072,747	6,072,747
<i>Positions</i>	<i>31</i>	<i>32</i>	<i>38</i>	<i>39</i>	<i>39</i>
Portland International Raceway Fund	834,206	968,941	977,296	1,070,599	1,018,396
<i>Positions</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>
Parks Bond Construction Fund	10,458,444	1,195,978	0	0	0
<i>Positions</i>	<i>10</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Parks Construction Fund	3,543,399	7,330,655	10,472,545	7,713,887	4,685,173
<i>Positions</i>	<i>3</i>	<i>11</i>	<i>14</i>	<i>11</i>	<i>11</i>
Parks Stores	16,063	10,937	25,000	25,000	25,000
<i>Positions</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL DIVISIONS	\$ 61,878,188	\$ 56,443,745	\$ 64,085,372	\$ 60,913,340	\$ 53,262,094
<i>Positions</i>	<i>377</i>	<i>386</i>	<i>403</i>	<i>396</i>	<i>365</i>
<i>General Fund Discretionary Positions</i>	<i>295</i>	<i>303</i>	<i>321</i>	<i>289</i>	<i>292</i>

Portland Parks and Recreation AU 765, 766, 325, 130, 608, 617 BUREAU PROGRAMS BY DIVISION

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
PARKS AND RECREATION - GENERAL					
Parks/Natural Resources	16,066,637	17,425,343	17,968,167	19,790,996	17,755,859
<i>Positions</i>	152	157	174	173	157
Recreation	15,878,298	17,235,213	16,873,585	18,330,589	16,360,976
<i>Positions</i>	112	115	115	115	103
Forestry	1,988,217	2,015,285	2,183,051	2,308,517	1,979,453
<i>Positions</i>	23	25	24	23	21
C I P	1,742,406	1,772,193	1,930,308	1,572,635	1,514,694
<i>Positions</i>	14	15	15	14	13
Administration	3,528,444	3,126,397	3,670,352	4,028,370	3,849,796
<i>Positions</i>	26	25	17	16	16
TOTAL PROGRAMS	\$ 39,204,002	\$ 41,574,431	\$ 42,625,463	\$ 46,031,107	\$ 41,460,778
<i>Positions</i>	327	337	344	341	310
GOLF FUND					
Golf Operations	7,822,074	5,362,803	9,985,068	6,072,747	6,072,747
<i>Positions</i>	31	32	38	39	39
TOTAL PROGRAMS	\$ 7,822,074	\$ 5,362,803	\$ 9,985,068	\$ 6,072,747	\$ 6,072,747
<i>Positions</i>	31	32	38	39	39
PORTLAND INTERNATIONAL RACE-					
Portland International Raceway	834,206	968,941	977,296	1,070,599	1,018,396
<i>Positions</i>	6	6	6	6	6
TOTAL PROGRAMS	\$ 834,206	\$ 968,941	\$ 977,296	\$ 1,070,599	\$ 1,018,396
<i>Positions</i>	6	6	6	6	6
PARKS BOND CONSTRUCTION FUND					
Construct, Design & Capital Imp	10,458,444	1,195,978	0	0	0
<i>Positions</i>	10	0	0	0	0
TOTAL PROGRAMS	\$ 10,458,444	\$ 1,195,978	\$ 0	\$ 0	\$ 0
<i>Positions</i>	10	0	0	0	0
PARKS CONSTRUCTION FUND					
CIP	3,543,399	7,330,655	10,472,545	7,713,887	4,685,173
<i>Positions</i>	3	11	14	11	11
TOTAL PROGRAMS	\$ 3,543,399	\$ 7,330,655	\$ 10,472,545	\$ 7,713,887	\$ 4,685,173
<i>Positions</i>	3	11	14	11	11
PARKS STORES					
Stock Account	16,063	10,937	25,000	25,000	25,000
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 16,063	\$ 10,937	\$ 25,000	\$ 25,000	\$ 25,000
<i>Positions</i>	0	0	0	0	0

Parks and Recreation - General Fund

OVERVIEW

Organizational Description

The Parks and Recreation Division has five programs: Park Operations and Natural Resources, Recreation, Forestry, CIP, and Administration. Following is a brief description of each.

Overview of Programs

PARKS/NATURAL RESOURCES

Park Operations and Natural Resources is the largest program in the Parks and Recreation Division.

Operations

Park Operations is divided into seven park districts throughout the City. Employees of the districts are generalists who maintain the developed parks, picking up litter, cleaning restrooms, performing safety inspections of play equipment, making minor repairs, and providing ongoing plant care. The district employees also provide support to the non-profit groups who care for the Japanese Garden, Crystal Springs Rhododendron Garden, and Leach Botanical Garden. One of the park districts specializes in caring for Washington Park, Pittock Acres, and the City's three rose gardens.

The Park Operations program also includes four specialist work units: Turf Maintenance, Horticultural Services, Structures, and Equipment Services.

Turf Maintenance

This unit is responsible for mowing, overseeding, and fertilizing turf areas. It also runs the machine shop that maintains the mowers and other equipment. Turf maintenance works are available to other programs during the off-season.

Horticultural Services

Horticultural Services includes the Community Gardens program and the greenhouse/nursery operation. It also designs shrub and flower beds, carries out specialized planting projects across the park system, and oversees the Integrated Pest Management program. Horticultural Service also provides landscape maintenance services to other bureaus under interagency agreements.

Structures

The Structures unit includes carpenters, electricians, painters, swimming pool mechanics, a play equipment repair person, and other workers dedicated to maintaining PP&R's 214 buildings and numerous outdoor structures.

Equipment Services

The Equipment Services unit primarily does paving, grading, major ballfield renovations, irrigation repairs, hauling, tall grass mowing, brush grinding, and other services involving heavy equipment.

Natural Resources

Natural Resources is responsible for over 6,000 acres of natural areas, such as Forest Park, Powell Butte, and the Oaks Bottom Wildlife Refuge. This includes promoting the ecological health of the areas by protecting them from soil erosion, invasive plant species, litter, illegal dumping, and other types of damage. This work unit also maintains trails such as the Springwater and Peninsula Crossing trails, along with trailhead parking lots and restrooms. The Natural Resources unit is also responsible for the tree collection at Hoyt Arboretum.

RECREATION

The Recreation program provides for a wide array of recreation services.

Community Centers and Community Schools

The Community Centers and Community Schools programs are managed by recreation generalists who are responsible for pulling in resources and activities to the sites that they manage. There are 13 community centers, ranging from fully programmed sites like Dishman, Mt. Scott, and the new community centers in Southwest and East Portland, to smaller centers such as Overlook, Hillside, or Woodstock.

The community school programs focus on creating recreation and academic enrichment opportunities for school-aged youth, as well as making the school building an after-hours resource to the broader community. The staff in the community schools and centers also collaborate to provide summer playground programming at 28 parks and school sites across the city. As part of the required budget cuts, the number of community school sites is being reduced from 13 to six in FY 2002-03.

Other Programs

There are a variety of specialist programs that focus on particular types of recreation or market segments: Outdoor Recreation, the Youth-at-Risk program, Disabled Citizens Recreation, Senior Leisure Services, Aquatics, the Sports Office (which oversees Ballfield Maintenance and the Tennis program as well as the scheduling of sports leagues). There are also specialty facilities: the Pittock Mansion, the Multnomah Art Center, the Children's Museum, the Community Music Center, and the Interstate Firehouse Cultural Center. Many of these programs recover most or all of their direct program costs through user fees. For those programs, the General Fund budget cuts will not have a large effect. However, within the Aquatics program, the swimming pools at Buckman School and the Metropolitan Learning Center will be closed as part of the required budget cuts in fiscal year 2002-03.

The Reservation Center staff supports the above programs by registering customers for classes, coordinating Waterfront Park special events, and issuing permits for picnics, weddings, sports practices and games, rentals of community centers, and other events.

FORESTRY

The Forestry program is responsible for maintaining park trees, inspecting street trees, and issuing tree permits. The unit also works to prevent the spread of Dutch Elm disease in the city. As a result of the General Fund budget cuts, this program will see its park tree maintenance reduced, and the City will not longer be able to pay the cost of removing diseased elm trees in the street right-of-way; instead, the property owner will have to pay for their removal.

C I P

The CIP, or Planning and Development program is responsible for the planning, design and construction of capital improvements to the parks and recreation system. Its funding sources include discretionary General Fund resources, reimbursements from other City bureaus and the Portland Development Commission, systems development charges to property developers, and federal grants. This program also includes the Property Management function, which generates income from PP&R assets not currently needed for park purposes.

ADMINISTRATION

The Administration program carries out typical administrative activities for a bureau the size and scope of PP&R. Besides the Director, this program includes several support functions. The majority of the positions are in accounting and financial planning. In addition, there are one or two positions each in volunteer coordination, communications services, clerical support, and community relations.

Parks and Recreation - General Fund AU 130

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	24,547,868	26,057,983	26,433,162	27,583,417	25,421,659
External Materials and Services	10,047,250	11,056,822	10,592,151	12,791,334	10,498,932
Internal Materials and Services	4,063,030	4,185,722	5,249,537	5,644,766	5,528,597
Minor Capital Outlay	62,691	15,401	100,613	11,590	11,590
Equipment Cash Transfers	205,000	258,500	250,000	0	0
Total Operating Budget	38,925,839	41,574,428	42,625,463	46,031,107	41,460,778
Capital Improvements	278,163	3	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 39,204,002	\$ 41,574,431	\$ 42,625,463	\$ 46,031,107	\$ 41,460,778
Allocated Overhead	1,677,307	2,219,856	1,654,615	1,449,436	1,522,148
Total Cost with Allocated Overhead	40,881,309	43,794,287	44,280,078	47,480,543	42,982,926
RESOURCES					
General Fund Discretionary	28,325,548	30,315,357	30,274,568	29,403,080	29,933,305
Non-Discretionary Revenues					
Grants & Donations	324,267	214,340	250,433	31,926	31,926
Contract Revenues	412,941	(328,548)	24,900	100,670	100,670
Interagency Revenues	3,019,076	3,341,789	3,598,113	7,459,342	2,549,342
Program Revenue	7,135,505	8,031,493	8,477,449	9,036,089	8,845,535
Total Non-Discretionary Revenues	10,891,789	11,259,074	12,350,895	16,628,027	11,527,473
TOTAL GENERAL FUND RESOURCES	39,217,337	\$ 41,574,431	\$ 42,625,463	\$ 46,031,107	\$ 41,460,778
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Parks/Natural Resources	16,066,637	17,425,343	17,968,167	19,790,996	17,755,859
<i>Positions</i>	152	157	174	173	157
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C I P	1,742,406	1,772,193	1,930,308	1,572,635	1,514,694
<i>Positions</i>	14	15	15	14	13
Administration	3,528,444	3,126,397	3,670,352	4,028,370	3,849,796
<i>Positions</i>	26	25	17	16	16
TOTAL PROGRAMS	\$ 39,204,002	\$ 41,574,431	\$ 42,625,463	\$ 46,031,107	\$ 41,460,778
<i>Positions</i>	327	337	344	341	310

Parks and Recreation - General Fund AU 130

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	11,438,090	11,998,531	14,581,768	15,101,073	13,957,701
512000 Part-Time Employees	4,884,718	5,357,156	5,662,426	5,796,218	5,252,593
514000 Overtime	122,926	101,423	148,145	111,283	110,633
515000 Premium Pay	248,795	231,497	191,492	108,402	102,729
517000 Benefits	5,739,335	6,048,327	5,849,331	6,466,441	5,998,003
518000 Paid Absence	2,186,468	2,321,047	0	0	0
Total Personnel Services	24,620,332	26,057,981	26,433,162	27,583,417	25,421,659
Materials and Services					
External Materials and Services					
521000 Professional Services	523,885	390,718	529,652	218,508	183,119
522000 Utilities	1,829,960	2,445,778	1,813,975	2,445,975	2,410,678
523000 Equipment Rental	14,209	19,866	30,812	37,443	37,443
524000 Repair & Maintenance Services	1,467,767	1,462,784	1,575,263	1,668,434	1,767,478
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	1,254,526	1,696,939	2,004,929	2,162,975	1,650,973
529000 Miscellaneous Services	2,185,314	2,242,543	1,680,955	1,998,803	1,760,299
531000 Office Supplies	135,498	165,328	218,602	401,543	147,440
532000 Operating Supplies	936,051	730,944	1,190,876	1,512,652	1,031,491
533000 Repair & Maintenance Supplies	905,843	1,032,821	857,906	1,093,560	781,253
534000 Minor Equipment & Tools	398,249	412,851	286,508	379,512	- 373,515
535000 Clothing & Uniforms	130,581	88,622	84,026	355,676	94,996
539000 Other Commodities External	89,355	21,394	44,535	278,632	30,182
541000 Education	44,381	40,758	44,640	29,219	29,009
542000 Local Travel	44,572	43,823	43,024	36,226	33,426
543000 Out-of-Town Travel	33,121	29,873	36,113	39,303	39,303
544000 Space Rental	7,564	27,674	69,182	38,192	38,192
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	140,648	204,111	81,153	94,681	90,135
Total External Materials and Services	10,141,524	11,056,827	10,592,151	12,791,334	10,498,932
Internal Materials and Services					
551000 Fleet Services	1,300,231	1,352,139	1,188,606	1,272,427	1,267,589
552000 Printing & Distribution	817,069	652,328	719,092	750,715	677,825
553000 Facilities Services	367,505	376,783	398,092	406,923	406,923
554000 Communications Services	428,578	490,575	457,663	505,415	504,525
555000 Data Processing Services	135,622	292,635	919,748	861,628	824,077
556000 Insurance	656,276	718,435	707,907	827,578	827,578
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	147,240	80,332	668,150	716,668	716,668
559000 Other Fund Services	204,340	216,862	190,279	303,412	303,412
Total Internal Materials and Services	4,056,861	4,180,089	5,249,537	5,644,766	5,528,597
Total Materials and Services	14,198,385	15,236,916	15,841,688	18,436,100	16,027,529
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	132,253	0	0	0	0
564000 Capital Equipment	41,032	15,401	100,613	11,590	11,590
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	173,285	15,401	100,613	11,590	11,590
573000 Equipment Cash Transfers	205,000	258,500	250,000	0	0
576000 Minor Equipment Transfers	7,000	5,633	0	0	0
TOTAL DIVISION EXPENSES	\$ 39,204,002	\$ 41,574,431	\$ 42,625,463	\$ 46,031,107	\$ 41,460,778

Parks and Recreation - General Fund AU 130

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.		No.		No.	
514	Accountant I	2	1	1	41,454	1	42,825	1	42,825
515	Accountant II	0	2	2	94,890	2	98,010	2	98,010
510	Accounting Technician	4	2	1	34,320	1	35,454	1	35,454
819	Administrative Assistant	0	2	2	91,813	2	102,312	2	102,312
230	Administrative Secretary	1	1	0	0	0	0	0	0
815	Administrative Specialist	3	2	2	70,961	2	52,556	2	52,556
920	Administrative Supervisor I	1	0	0	0	0	0	0	0
922	Administrative Supervisor II	0	1	1	49,403	0	0	0	0
2532	Applications Analyst II	1	0	0	0	0	0	0	0
3134	Architect	2	0	0	0	0	19,024	0	19,024
3140	Architectural Manager	0	1	1	85,384	1	88,197	1	88,197
950	Assistant Management Analyst	2	0	0	0	0	0	0	0
962	Assistant Program Specialist	3	2	2	101,296	2	106,655	2	106,655
1311	Automotive Equipment Operator I	0	0	0	0	1	39,902	1	39,902
4127	Botanic Manager	1	1	1	66,061	1	68,236	1	63,654
4120	Botanic Specialist I	2	2	3	130,135	4	186,410	4	180,396
4124	Botanic Specialist II	3	3	4	186,487	4	201,418	3	145,349
4125	Botanic Supervisor	3	3	3	178,839	3	184,725	3	180,590
3133	Building/Landscape Designer	2	0	0	4,150	0	0	0	0
928	Bureau Administrative Manager	2	0	0	0	0	0	0	0
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
1420	Carpenter	5	7	5	218,190	5	225,400	4	180,320
1421	Carpenter Lead	1	0	0	0	0	0	0	0
3236	Chief Planner	1	1	1	77,064	1	79,595	1	79,595
4131	City Forester	1	1	1	66,061	1	68,236	1	68,236
114	Clerical Specialist	3	0	0	0	0	0	0	0
7490	Community Relations Assistant	2	2	2	107,620	2	111,166	2	111,166
7492	Community Relations Specialist	0	1	1	55,579	1	55,418	1	55,418
1316	Construction Equip Operator II	1	0	0	0	0	0	0	0
1315	Construction Equipment Operator	0	1	1	43,306	1	44,725	1	44,725
1110	Custodian	1	1	1	30,326	1	31,320	1	31,320
975	Deputy Director	1	1	1	89,856	1	92,812	1	92,812
817	Director's Administrative Assist	0	0	1	44,830	1	48,226	1	48,226
1453	Electrician	3	3	2	108,452	2	112,042	2	112,042
1457	Electrician, Supervising	1	1	1	59,800	1	61,763	1	61,763
1132	Facilities & Maint Supervisor	10	9	10	527,563	10	563,969	9	512,372
1136	Facilities & Maintenance Manager	1	0	0	0	0	0	0	0
1115	Facilities Maintenance Tech	4	5	5	220,480	6	273,234	6	273,234
1116	Facilities Maintenance Tech Lead	1	0	0	0	0	0	0	0
827	Financial Analyst	1	1	1	51,912	1	55,816	1	55,816
4129	Forestry Program Supervisor	1	1	1	59,613	1	61,575	1	61,575
1524	General Mechanic	1	2	2	88,150	2	91,036	2	91,036
4110	High Climber	8	9	8	339,456	8	360,640	8	360,640
4114	Horticulturist	6	23	27	1,118,718	25	1,070,100	24	1,016,221
4113	Horticulturist, Apprentice	24	0	0	0	0	0	0	0
4115	Horticulturist, Lead	0	1	0	0	0	0	0	0
614	Human Resources Coordinator	1	0	0	0	0	0	0	0
2541	Information Systems Analyst I	0	1	0	0	0	0	0	0
2542	Information Systems Analyst II	1	2	0	0	0	0	0	0
2543	Information Systems Analyst III	1	1	0	0	0	0	0	0
2524	Information Systems Tech III	1	1	0	0	0	0	0	0
1240	Maintenance Mechanic	11	11	12	483,720	10	416,350	10	416,350
1200	Maintenance Worker	0	6	6	131,412	5	113,170	0	0
1208	Maintenance Worker	8	0	0	0	0	0	0	0
1237	Mower Operator	7	0	0	0	0	0	0	0
100	Office Support Specialist I	0	1	1	29,716	3	95,483	1	32,113
102	Office Support Specialist II	0	4	5	166,110	7	217,477	7	218,472
106	Office Support Specialist, Lead	0	1	2	68,079	1	39,665	1	39,665
1443	Painter	2	2	3	130,914	3	135,240	2	90,160
1215	Park Technician	29	33	30	1,131,381	30	1,169,349	29	1,130,507
4337	Parks & Recreation Director	1	1	1	104,832	1	108,284	1	108,284
2545	Principal Info Systems Analyst	1	1	0	0	0	0	0	0
953	Principal Management Analyst	0	0	0	0	0	0	1	57,817
966	Program Coordinator	0	1	1	54,095	0	0	0	0
968	Program Manager I	5	4	4	247,406	4	241,853	4	241,853
970	Program Manager II	2	1	1	72,667	1	88,707	1	88,707
972	Program Manager IV	1	0	0	0	0	0	0	0
964	Program Specialist	2	2	2	103,143	2	109,825	2	109,825
960	Program Technician	0	0	1	28,365	1	40,657	1	40,657

Parks and Recreation - General Fund AU 130

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.	Amount	No.	Amount	No.	Amount
4335	Recreation & Operations Manager	0	2	2	151,290	2	162,009	2	162,009
4325	Recreation Coordinator I	51	53	50	1,921,000	50	1,987,774	43	1,706,416
4326	Recreation Coordinator II	14	13	10	413,046	10	427,620	10	427,620
4322	Recreation Leader - Fulltime	12	17	20	558,018	17	518,353	14	430,422
4332	Recreation Supervisor	17	16	17	909,082	18	963,936	17	916,403
220	Secretarial Clerk I	1	0	0	0	0	0	0	0
816	Senior Administrative Specialist	1	2	1	41,662	1	43,034	1	43,034
930	Senior Bureau Administrative Mgr	0	1	1	81,120	1	83,791	1	83,791
3163	Senior Engineering Associate	0	0	0	0	1	56,536	1	56,536
828	Senior Financial Analyst	1	1	1	65,725	1	68,236	1	68,236
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
952	Senior Management Analyst	0	0	0	0	2	115,634	1	57,817
3231	Senior Planner	3	5	6	317,069	5	310,184	5	310,184
4333	Senior Recreation Supervisor	3	2	2	117,936	2	125,290	2	125,290
848	Senior Risk Specialist	1	1	1	62,816	1	64,895	1	64,895
1134	Sr Facilities & Maint Supervisor	4	5	5	296,768	4	256,191	4	256,191
410	Storekeeper	2	0	0	0	0	0	0	0
406	Storekeeper/Acquisition Spec II	0	2	2	82,120	2	85,066	2	85,066
115	Supervising Clerk	1	0	0	0	0	0	0	0
3122	Surveyor I	1	0	0	0	0	0	0	0
3123	Surveyor II	0	1	1	49,816	1	51,448	1	51,448
3108	Technician II	2	2	1	41,496	1	43,415	1	43,415
3109	Technician III	0	1	0	0	0	0	0	0
1054	Trades Supervisor	0	0	2	109,178	2	117,416	2	117,416
4112	Tree Inspector	0	7	7	326,578	7	346,108	7	346,108
1214	Turf Maintenance Technician	0	7	20	669,723	20	691,713	18	633,239
1218	Utility Worker	30	0	0	0	0	0	0	0
1210	Utility Worker I	0	3	4	136,780	4	141,316	3	105,987
1211	Utility Worker II	0	28	27	992,898	26	987,171	22	835,247
1510	Welder	0	1	1	43,638	1	45,080	1	45,080
1513	Welder	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		327	337	344	\$ 14,581,768	341	\$ 15,101,073	310	\$ 13,957,701

Parks and Recreation - General Fund AU 130

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	43,251,006	151,300	43,402,306	334.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	224,000	0	224,000	0.0	Portland Public Schools facilities use charges
	(224,000)	0	(224,000)	0.0	Reduce Pass Through to After School Programs
	0	0	0	0.0	0
Mayor's Proposed Budget Decisions					
	(60,000)	0	(60,000)	0.0	GF 7% Reductions
	(108,385)	0	(108,385)	0.0	Close community schools in summer
	(35,000)	0	(35,000)	(2.0)	Reduce recreation pass-through funding
	(428,328)	0	(428,328)	(7.0)	Reduce supervision of part-time aquatics staff
	(62,500)	0	(62,500)	0.0	Close 7 community schools
	(78,500)	0	(78,500)	0.0	Close MLC pool
	(35,000)	0	(35,000)	0.0	Close Buckman pool
	(61,739)	0	(61,739)	0.0	Cut tennis court patching
	(61,063)	0	(61,063)	(1.0)	Reduce repairs to irrigation, fencing, asphalt
	(206,482)	0	(206,482)	(3.0)	Reduce irrigation hauling & repair support
	(83,778)	0	(83,778)	(1.0)	Reduce painting & mechanical repairs to buildings
	(111,551)	0	(111,551)	(1.0)	Reduce trail & natural area maintenance
	(37,513)	0	(37,513)	(1.0)	Reduce park tree care & cut stump grinding
	(16,000)	0	(16,000)	0.0	Shift diseased Elm tree removal costs to property
	(24,997)	0	(24,997)	0.0	Drain Westmoreland casting pond
	(255,482)	0	(255,482)	0.0	Reduce park irrigation
	(179,117)	0	(179,117)	(5.0)	Reduce frequency of maintenance visits to parks
	(4,546)	0	(4,546)	(3.0)	Cut parks maintenance supervision and horticulture
	(31,695)	0	(31,695)	0.0	Raise community garden fees
	(42,872)	0	(42,872)	(1.0)	Cut bareroot native plant production
	(141,709)	0	(141,709)	0.0	Reduce greenhouse production
	(24,382)	0	(24,382)	(2.0)	Cut mowing to all areas except sports fields and
	(57,941)	0	(57,941)	0.0	Reduce office support for parks maintenance
	(13,869)	0	(13,869)	(1.0)	Reduce park planning capacity
	(50,000)	0	(50,000)	0.0	Reduce public information and marketing
	0	0	0	0.0	Reduce computer replacement funding
	2,212,449	0	2,212,449	0.0	0
	1,050,000	0	1,050,000	28.0	Local Option Serial Levy
	1,647,551	0	1,647,551	3.0	Restore GF 7% Reductions
	0	0	0	4.0	Provide safe places to play
	(21,955)	0	(21,955)	4.0	Restore, renovate, and improve maintenance
	(10,598)	0	(10,598)	0.0	0
	123,892	0	123,892	0.0	Other actions
	(14,317)	0	(14,317)	0.0	Adjust Interagency with BES
	(16,050)	0	(16,050)	0.0	Adjust Interagency with Transportation
	(12,515)	0	(12,515)	0.0	Adjust ESA Interagency with Planning
	(4,489)	0	(4,489)	0.0	Adjust Park fee revenues
	(8,087)	0	(8,087)	0.0	Adjust concessions revenues
	(104,631)	0	(104,631)	0.0	Adjust Rents and Reimbursements Revenues
	0	0	0	0.0	Facilities BOMA Adjustment
	0	0	0	0.0	OMF BHR Training Reduction
	0	0	0	0.0	OMF Internal Services Cuts
	0	0	0	0.0	0
Approved Budget Additions and Reductions					
	0	0	0	0.0	Remove Local Option Serial Levy
	(2,212,449)	0	(2,212,449)	(28.0)	Restore GF 7% Reductions
	(1,050,000)	0	(1,050,000)	(3.0)	Provide safe places to play
	(1,647,551)	0	(1,647,551)	(4.0)	Restore, renovate, and improve maintenance
	(190,554)	0	(190,554)	0.0	Reduce recreation programs and revenues
	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	0	258,000	258,000	4.0	School Mowing One Year
	272,225	0	272,225	0.0	O&M Setaside Transfer to Parks

Parks and Recreation - General Fund AU 130

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
	0	0	0	0.0	0
	(2,199,528)	258,000	(1,941,528)	(24.0)	Total FY 2002-03 Decision Packages
			\$ 41,460,778	310.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	273,618	0	273,618	0.0	Utility and energy cost increases
	0	0	0	0.0	0
			\$ 273,618	1.0	Total Decision Packages Not Funded

Golf Fund

OVERVIEW

Mission

A total of 90 regulation holes are available to golfers on the City's courses.

The mission of the Golf program is to provide low cost golf as a recreational activity to area residents. In addition, due to a reputation for maintaining a high level of quality, the program assists in attracting outside tourist and convention business, which benefits both the resident golfer, by supplementing the program revenue needs, as well as the Portland area in general. Golf course maintenance is performed by City employees, while clubhouse operations are managed by private contractors.

Overview of Programs

GOLF OPERATIONS

- Maintenance** Maintenance of the golf courses is performed by City employees. Managed by the Director of Golf, each facility has a Golf Course Superintendent, an Assistant Superintendent, an on-site mechanic, and several greenskeepers to meet the agronomic needs of the site. The focus on course maintenance is to allow golf to be played in a high quality, challenging way, while at the same time targeting specific out-of-play areas to return to a more natural state, thereby creating habitat for wildlife.
- Clubhouse Facilities** Clubhouse facilities are managed by private contractors. These contracts are administered by the Director of Golf and include collection of greens fees, sales of golf equipment and clothing, sales of food and beverage, cart rentals, golf lessons and marshalling of the course. Each concessionaire has a pro-shop staff and qualified food service personnel who act as the City's representatives to the public.
- Youth Programs** The golf program is very active in reaching out to area youth. A teaching professional is employed to visit Portland Interscholastic League (PIL) schools giving golf lessons in the P.E. classes. These classes take place over one to two weeks at each school and the students learn basic swing fundamentals and rules and procedures for the game.
- Fifty EAGLE Program participants have been awarded full four year scholarships over the last four years.* The EAGLE program, in its twelfth year and nationally acclaimed, selects deserving high school youth from disadvantaged backgrounds and puts them to work in the pro-shops and on the golf courses. Students earn minimum wage and are given work study credits by their schools. Participation is for two years, and successful completion can lead to a full four year scholarship to a state university funded through the Evans Scholarship Foundation.
- Capital Expenditures** The main focus of the Golf Capital Improvement Program will be to update facilities to meet the needs of the users and to compete with the many modern golf facilities that have been built in the Portland area over the past several years.

Golf Fund AU 617

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	2,497,614	2,514,855	2,498,252	2,578,902	2,578,902
External Materials and Services	1,438,999	1,579,652	1,614,347	1,636,605	1,636,605
Internal Materials and Services	501,891	579,071	831,125	867,240	867,240
Minor Capital Outlay	14,336	197,042	104,967	100,000	100,000
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	4,452,840	4,870,620	5,048,691	5,182,747	5,182,747
Capital Improvements	3,369,234	492,183	4,936,377	890,000	890,000
TOTAL BUREAU EXPENDITURES	\$ 7,822,074	\$ 5,362,803	\$ 9,985,068	\$ 6,072,747	\$ 6,072,747
Allocated Overhead	156,825	187,163	137,430	118,345	122,988
Total Cost with Allocated Overhead	7,978,899	5,549,966	10,122,498	6,191,092	6,195,735
RESOURCES					
Golf Fund	7,822,074	5,362,803	9,985,068	6,072,747	6,072,747
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Golf Operations	7,822,074	5,362,803	9,985,068	6,072,747	6,072,747
<i>Positions</i>	<i>31</i>	<i>32</i>	<i>38</i>	<i>39</i>	<i>39</i>
TOTAL PROGRAMS	\$ 7,822,074	\$ 5,362,803	\$ 9,985,068	\$ 6,072,747	\$ 6,072,747
<i>Positions</i>	<i>31</i>	<i>32</i>	<i>38</i>	<i>39</i>	<i>39</i>

Golf Fund AU 617

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,266,749	1,228,249	1,521,445	1,575,265	1,575,265
512000 Part-Time Employees	338,048	317,669	278,703	274,703	274,703
514000 Overtime	68,497	50,576	35,000	35,000	35,000
515000 Premium Pay	24,598	27,361	28,000	31,000	31,000
517000 Benefits	652,517	641,599	635,104	662,934	662,934
518000 Paid Absence	221,547	253,145	0	0	0
Total Personnel Services	2,571,956	2,518,599	2,498,252	2,578,902	2,578,902
Materials and Services					
External Materials and Services					
521000 Professional Services	16,046	176,514	315,493	5,000	5,000
522000 Utilities	109,486	169,425	149,400	189,300	189,300
523000 Equipment Rental	35,743	31,132	12,700	15,700	15,700
524000 Repair & Maintenance Services	47,193	44,124	52,000	44,000	44,000
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	735,006	845,748	876,284	821,805	821,805
531000 Office Supplies	2,459	(6,016)	2,300	2,300	2,300
532000 Operating Supplies	280,130	285,828	201,400	235,000	235,000
533000 Repair & Maintenance Supplies	202,320	211,299	200,863	200,000	200,000
534000 Minor Equipment & Tools	58,596	31,662	31,800	31,800	31,800
535000 Clothing & Uniforms	5,437	6,162	8,100	6,700	6,700
539000 Other Commodities External	2,850	1,855	2,000	3,000	3,000
541000 Education	4,205	5,102	6,800	7,000	7,000
542000 Local Travel	447	1,020	1,000	1,000	1,000
543000 Out-of-Town Travel	3,498	2,854	5,500	5,500	5,500
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	70,396	61,488	108,500	68,500	68,500
Total External Materials and Services	1,573,812	1,868,197	1,974,140	1,636,605	1,636,605
Internal Materials and Services					
551000 Fleet Services	105,171	106,664	240,645	255,566	255,566
552000 Printing & Distribution	2,391	3,307	737	2,807	2,807
553000 Facilities Services	24	0	0	0	0
554000 Communications Services	11,547	11,695	12,487	15,401	15,401
555000 Data Processing Services	7,425	16,645	15,039	14,617	14,617
556000 Insurance	66,462	73,362	71,792	77,870	77,870
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	376,014	377,241	610,425	781,979	781,979
Total Internal Materials and Services	569,034	588,914	951,125	1,148,240	1,148,240
Total Materials and Services	2,142,846	2,457,111	2,925,265	2,784,845	2,784,845
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	5,985	7,310	3,821,568	0	0
563000 Improvements	3,047,960	182,741	635,016	609,000	609,000
564000 Capital Equipment	53,327	197,042	104,967	100,000	100,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	3,107,272	387,093	4,561,551	709,000	709,000
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 7,822,074	\$ 5,362,803	\$ 9,985,068	\$ 6,072,747	\$ 6,072,747

Golf Fund AU 617

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
815	Administrative Specialist	0	0	0	13,570	1	17,519	1	17,519
3134	Architect	1	1	0	0	0	0	0	0
1132	Facilities & Maint Supervisor	4	4	4	226,552	4	234,024	4	234,024
4175	Golf Courses Manager	1	1	1	62,816	1	64,895	1	64,895
1220	Greenskeeper I	15	16	23	801,782	23	828,387	23	828,387
1221	Greenskeeper II	5	5	5	198,535	5	205,040	5	205,040
1222	Greenskeeper III	5	5	5	218,190	5	225,400	5	225,400
TOTAL FULL-TIME POSITIONS		31	32	38	\$ 1,521,445	39	\$ 1,575,265	39	\$ 1,575,265

Golf Fund AU 617

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	5,188,891	0	5,188,891	39.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	0	0	0	0.0	0
Mayor's Proposed Budget Decisions					
	0	(5,567)	(5,567)	0.0	Vehicle Services Savings
	(296)	0	(296)	0.0	Communications Services Savings
	(880)	0	(880)	0.0	IT Services Savings
	(375)	0	(375)	0.0	Insurance & Claims Reductions
	(1,161)	0	(1,161)	0.0	Worker's Compensation Reductions
	(311)	0	(311)	0.0	OMF Savings
	281,000	0	281,000	0.0	Capital Improvements from Parks Construction
	2,447	0	2,447	0.0	BES - Water Quality Lab
	609,000	0	609,000	0.0	Capital Improvements
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	889,424	(5,567)	883,857	0.0	Total FY 2002-03 Decision Packages
			\$ 6,072,748	39.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Portland International Raceway Fund

OVERVIEW

Portland International Raceway (PIR) is a separate enterprise fund within Portland Parks and Recreation. It is a self-sustaining operation which manages the world-class road course, a motor-cross track, open air exhibit areas, and complementary spectator facilities.

PIR attracts over 500,000 spectators each year to events held there.

Although best known the as the home of the Freightliner/G.I. Joe's Portland 200 CART race, which just completed its 18th successful year, the facility attracts over 500,000 spectators to about 135 events annually and is in use nearly every day of the year. The raceway provides a safe place for groups, clubs, and organizations to conduct both racing and non-racing vehicle-oriented events. More than 20,000 people participate in driver training courses, recreational shows and competitive events annually.

Resources

Revenues for maintenance of the facility come from track rentals and a multi-year concessions agreement which grants the exclusive rights to sell food and beverage at PIR events.

Requirements

The FY 2002-03 Adopted Budget provides appropriation for personnel, materials, services and equipment needed to operate and maintain the facility.

Portland International Raceway Fund AU 608

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	452,712	437,929	433,842	477,597	477,597
External Materials and Services	275,601	359,268	374,091	361,237	309,034
Internal Materials and Services	74,999	152,360	169,363	231,765	231,765
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	803,312	949,557	977,296	1,070,599	1,018,396
Capital Improvements	30,894	19,384	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 834,206	\$ 968,941	\$ 977,296	\$ 1,070,599	\$ 1,018,396
Allocated Overhead	24,198	18,039	20,996	27,247	27,994
Total Cost with Allocated Overhead	858,404	986,980	998,292	1,097,846	1,046,390
RESOURCES					
Portland International Raceway Fund	834,206	968,941	977,296	1,070,599	1,018,396
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Portland International Raceway	834,206	968,941	977,296	1,070,599	1,018,396
<i>Positions</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>
TOTAL PROGRAMS	\$ 834,206	\$ 968,941	\$ 977,296	\$ 1,070,599	\$ 1,018,396
<i>Positions</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>

Portland International Raceway Fund AU 608

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	189,058	229,782	261,059	285,034	285,034
512000 Part-Time Employees	55,609	46,844	60,000	65,000	65,000
514000 Overtime	9,078	6,761	12,000	12,000	12,000
515000 Premium Pay	3,631	3,810	3,000	4,000	4,000
517000 Benefits	107,734	101,017	97,783	111,563	111,563
518000 Paid Absence	87,602	49,715	0	0	0
Total Personnel Services	452,712	437,929	433,842	477,597	477,597
Materials and Services					
External Materials and Services					
521000 Professional Services	66,074	59,612	60,000	60,000	60,000
522000 Utilities	39,990	44,398	39,000	47,537	47,537
523000 Equipment Rental	4,087	13,515	7,000	15,000	15,000
524000 Repair & Maintenance Services	44,123	96,453	128,091	88,000	65,797
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	9,848	11,356	6,000	10,000	10,000
531000 Office Supplies	1,145	3,748	2,000	4,000	4,000
532000 Operating Supplies	14,835	17,688	10,000	20,000	20,000
533000 Repair & Maintenance Supplies	42,076	65,970	65,000	65,000	35,000
534000 Minor Equipment & Tools	5,361	2,915	8,000	8,000	8,000
535000 Clothing & Uniforms	1,091	5,463	3,000	5,500	5,500
539000 Other Commodities External	0	0	0	0	0
541000 Education	323	495	800	800	800
542000 Local Travel	698	858	1,000	1,200	1,200
543000 Out-of-Town Travel	0	0	4,200	1,200	1,200
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	45,950	36,797	40,000	35,000	35,000
Total External Materials and Services	275,601	359,268	374,091	361,237	309,034
Internal Materials and Services					
551000 Fleet Services	5,061	4,947	5,035	5,921	5,921
552000 Printing & Distribution	841	626	829	729	729
553000 Facilities Services	0	0	0	0	0
554000 Communications Services	10,230	9,735	11,176	15,604	15,604
555000 Data Processing Services	965	2,562	2,315	2,251	2,251
556000 Insurance	20,157	25,341	25,506	35,396	35,396
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	37,745	109,149	124,502	171,864	171,864
Total Internal Materials and Services	74,999	152,360	169,363	231,765	231,765
Total Materials and Services	350,600	511,628	543,454	593,002	540,799
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	30,894	19,384	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	30,894	19,384	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 834,206	\$ 968,941	\$ 977,296	\$ 1,070,599	\$ 1,018,396

Portland International Raceway Fund AU 608

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
1132	Facilities & Maint Supervisor	1	1	1	56,638	1	58,506	1	58,506
1240	Maintenance Mechanic	1	1	1	40,310	1	41,635	1	41,635
1200	Maintenance Worker	0	1	0	0	0	0	0	0
1208	Maintenance Worker	1	0	0	0	0	0	0	0
1237	Mower Operator	1	0	0	0	0	0	0	0
4352	Racetrack Manager	1	1	1	62,816	1	64,895	1	64,895
816	Senior Administrative Specialist	1	1	1	41,662	1	43,034	1	43,034
1214	Turf Maintenance Technician	0	1	1	37,731	1	38,983	1	38,983
1211	Utility Worker II	0	0	1	21,902	1	37,981	1	37,981
TOTAL FULL-TIME POSITIONS		6	6	6	\$ 261,059	6	\$ 285,034	6	\$ 285,034

Portland International Raceway Fund AU 608

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	1,071,740	0	1,071,740	6.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(289)	0	(289)	0.0	Vehicle Service Reduction
	(187)	0	(187)	0.0	Communication Services Reduction
	(135)	0	(135)	0.0	IT Services Reduction
	(143)	0	(143)	0.0	Worker's Compensation Reduction
	(351)	0	(351)	0.0	Insurance and Claims Reduction
	(36)	0	(36)	0.0	OMF Services Reduction
	0	0	0	0.0	0
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	(52,203)	0	(52,203)	0.0	Reduce Repair and Maintenance
	0	0	0	0.0	0
	(53,344)	0	(53,344)	0.0	Total FY 2002-03 Decision Packages
			\$ 1,018,396	6.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Parks Bond Construction Fund

OVERVIEW

The \$58.8 million General Obligation bond issue (GOBI) for park improvements was passed by voters in November 1994, and implementation started in the spring of 1995.

Overview

Renovating and upgrading park infrastructure as well as making park features comply with the Americans with Disabilities Act requirements are the focus of most of the GOBI projects. The bond measure also provided funds for building two new community centers, renovating six existing community centers, renovating five pools, and developing fourteen new soccer fields and six new softball fields. Other general improvements include renovating tennis courts, basketball courts, playing fields, fencing, landscaping, parking lots, wading pools, improving drainage, and installing new site furniture.

FY 2000-01 marked the completion of GOBI capital program.

Parks Bond Construction Fund AU 765

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	0	0	0	0	0
External Materials and Services	0	0	0	0	0
Internal Materials and Services	0	0	0	0	0
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	0	0	0	0	0
Capital Improvements	10,458,444	1,195,978	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 10,458,444	\$ 1,195,978	\$ 0	\$ 0	\$ 0
Allocated Overhead *	25,000	25,000	0	0	0
Total Cost with Allocated Overhead	10,483,444	1,220,978	0	0	0
RESOURCES					
Parks Bond Construction Fund	10,458,444	1,195,978	0	0	0
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Construct, Design & Capital Imp	10,458,444	1,195,978	0	0	0
Positions	10	0	0	0	0
TOTAL PROGRAMS	\$ 10,458,444	\$ 1,195,978	\$ 0	\$ 0	\$ 0
Positions	10	0	0	0	0

Parks Bond Construction Fund AU 765

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	434,422	0	0	0	0
512000 Part-Time Employees	34	0	0	0	0
514000 Overtime	(84)	0	0	0	0
517000 Benefits	188,472	0	0	0	0
518000 Paid Absence	83,716	0	0	0	0
Total Personnel Services	706,560	0	0	0	0
Materials and Services					
External Materials and Services					
521000 Professional Services	372,752	129,387	0	0	0
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	2,205	5,693	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	13,736	1,087	0	0	0
531000 Office Supplies	7,213	0	0	0	0
532000 Operating Supplies	4,052	0	0	0	0
533000 Repair & Maintenance Supplies	783	151	0	0	0
534000 Minor Equipment & Tools	67,303	98,243	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	5,960	98	0	0	0
541000 Education	1,881	600	0	0	0
542000 Local Travel	165	9	0	0	0
543000 Out-of-Town Travel	0	0	0	0	0
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	768,721	11,229	0	0	0
Total External Materials and Services	1,244,771	246,497	0	0	0
Internal Materials and Services					
551000 Fleet Services	7,157	0	0	0	0
552000 Printing & Distribution	11,865	452	0	0	0
553000 Facilities Services	15	0	0	0	0
554000 Communications Services	39,041	1,228	0	0	0
555000 Data Processing Services	0	0	0	0	0
556000 Insurance	0	0	0	0	0
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	187,665	21,351	0	0	0
Total Internal Materials and Services	245,743	23,031	0	0	0
Total Materials and Services	1,490,514	269,528	0	0	0
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	44,467	0	0	0
563000 Improvements	8,238,749	868,234	0	0	0
564000 Capital Equipment	22,621	13,749	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	8,261,370	926,450	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 10,458,444	\$ 1,195,978	\$ 0	\$ 0	\$ 0

Parks Bond Construction Fund AU 765

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
3134	Architect	1	0	0	0	0	0	0	0
826	Assistant Financial Analyst	1	0	0	0	0	0	0	0
114	Clerical Specialist	1	0	0	0	0	0	0	0
7492	Community Relations Specialist	1	0	0	0	0	0	0	0
1132	Facilities & Maint Supervisor	2	0	0	0	0	0	0	0
972	Program Manager IV	1	0	0	0	0	0	0	0
816	Senior Administrative Specialist	1	0	0	0	0	0	0	0
3231	Senior Planner	1	0	0	0	0	0	0	0
1134	Sr Facilities & Maint Supervisor	1	0	0	0	0	0	0	0
3109	Technician III	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		10	0	0	\$ 0	0	\$ 0	0	\$ 0

Parks Construction Fund

OVERVIEW

The Parks Construction Fund accounts for all parks capital activity except the two enterprise funds for golf and Portland International Raceway. A total of 10.9 full-time positions are accounted for in this fund. These positions acquire park land (using SDC funds) and manage the General Fund capital projects.

Projects

For FY 2002-03, the capital activity includes park land acquisition and improvements funded by the Parks system development charge (SDC) that was created in the fall of 1998. The fund will receive \$900,000 from the General Fund for the following projects:

The Parks Construction Fund will receive \$900,000 from the General Fund for five capital projects.

- ◆ \$150,000 for Westmoreland - Crystal Springs.
- ◆ \$352,000 for HVAC & lighting on the Columbia Pool.
- ◆ \$150,000 for Springwater Trail Three Bridges match.
- ◆ \$123,000 for adding a Park layer to the City's Geographic Information System.
- ◆ \$125,000 for the second of four payments on the Killingsworth Land Acquisition.

Parks Construction Fund AU 766

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	8,567	34,105	193,649	0	121,310
External Materials and Services	1,207	12,312	174,162	0	290,180
Internal Materials and Services	540	33,664	85,400	0	25,820
Minor Capital Outlay	0	2,510,178	754,141	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	10,314	2,590,259	1,207,352	0	437,310
Capital Improvements	3,533,085	4,740,396	9,265,193	7,713,887	4,247,863
TOTAL BUREAU EXPENDITURES	\$ 3,543,399	\$ 7,330,655	\$ 10,472,545	\$ 7,713,887	\$ 4,685,173
Allocated Overhead	48,752	47,006	86,722	89,264	89,978
Total Cost with Allocated Overhead	3,592,151	7,377,661	10,559,267	7,803,151	4,775,151
RESOURCES					
Parks Construction Fund	3,543,399	7,330,655	10,472,545	7,713,887	4,685,173
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
CIP	3,543,399	7,330,655	10,472,545	7,713,887	4,685,173
Positions	3	11	14	11	11
TOTAL PROGRAMS	\$ 3,543,399	\$ 7,330,655	\$ 10,472,545	\$ 7,713,887	\$ 4,685,173
Positions	3	11	14	11	11

Parks Construction Fund AU 766

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	120,936	(296,974)	792,515	633,428	568,280
512000 Part-Time Employees	32	17,733	6,465	53,808	53,808
514000 Overtime	0	236	0	0	0
515000 Premium Pay	6	49	0	0	0
517000 Benefits	44,166	194,193	290,505	242,461	219,691
518000 Paid Absence	4,451	90,856	0	0	0
Total Personnel Services	169,591	6,093	1,089,485	929,697	841,779
Materials and Services					
External Materials and Services					
521000 Professional Services	598,128	3,206	751,954	294,009	294,009
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	36,265	22,586	106,120	3,000	1,420
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	320,180	320,180
529000 Miscellaneous Services	1,308	(610,976)	47,697	0	0
531000 Office Supplies	0	7,930	1,600	1,501	1,501
532000 Operating Supplies	908	1,545	12,922	14,216	10,502
533000 Repair & Maintenance Supplies	0	3,421	0	1,150	1,150
534000 Minor Equipment & Tools	5,614	1,103	1,756	10,500	10,500
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	54	883	0	0	0
541000 Education	100	380	12,750	12,500	12,500
542000 Local Travel	0	0	500	26,933	26,933
543000 Out-of-Town Travel	0	2,766	5,500	5,750	5,750
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	32,089	(176,304)	121,484	700	700
Total External Materials and Services	674,466	(743,460)	1,062,283	690,439	685,145
Internal Materials and Services					
551000 Fleet Services	0	5,622	4,710	5,170	5,170
552000 Printing & Distribution	6,172	17,590	14,500	23,862	23,862
553000 Facilities Services	93	119	0	0	0
554000 Communications Services	1,968	20,330	9,806	11,686	11,686
555000 Data Processing Services	0	12,689	11,539	21,215	21,215
556000 Insurance	0	0	0	0	0
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	17,195	582,754	410,305	336,096	337,676
Total Internal Materials and Services	25,428	639,104	450,860	398,029	399,609
Total Materials and Services	699,894	(104,356)	1,513,143	1,088,468	1,084,754
Capital Outlay					
561000 Land	726,764	4,948,378	2,423,000	1,020,000	1,020,000
562000 Buildings	227,488	1,395,927	1,642,267	675,000	625,000
563000 Improvements	1,719,662	1,084,613	3,804,650	4,000,722	1,113,640
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	2,673,914	7,428,918	7,869,917	5,695,722	2,758,640
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 3,543,399	\$ 7,330,655	\$ 10,472,545	\$ 7,713,887	\$ 4,685,173

Parks Construction Fund AU 766

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
815	Administrative Specialist	0	0	1	16,681	0	0	0	0
3134	Architect	0	3	4	245,524	3	162,351	3	142,673
3133	Building/Landscape Designer	1	3	3	126,890	2	96,739	2	96,739
7492	Community Relations Specialist	0	0	0	6,175	0	6,158	0	6,158
1132	Facilities & Maint Supervisor	0	2	2	101,325	2	108,740	2	92,038
102	Office Support Specialist II	0	0	0	0	1	15,131	1	15,131
968	Program Manager I	0	1	1	62,816	0	0	0	0
970	Program Manager II	0	1	1	59,455	2	116,001	2	116,001
816	Senior Administrative Specialist	0	1	0	0	0	0	0	0
3231	Senior Planner	1	0	1	49,452	0	0	0	0
1134	Sr Facilities & Maint Supervisor	0	0	1	62,816	1	64,895	1	36,127
3108	Technician II	1	0	0	0	0	0	0	0
3109	Technician III	0	0	1	61,381	1	63,413	1	63,413
TOTAL FULL-TIME POSITIONS		3	11	14	\$ 792,515	11	\$ 633,428	11	\$ 568,280

Parks Construction Fund AU 766

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	0	0	0	0.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	0	836,000	836,000	0.0	Beginning Fund Balance
	0	180,000	180,000	0.0	Interest on Investment
	0	0	0	0.0	0
Mayor's Proposed Budget Decisions					
	0	0	0	0.0	General Fund CIP Setaside
	0	352,000	352,000	0.0	Columbia Pool HVAC & Light Replacement
	0	123,000	123,000	0.0	GIS Enhancement
	0	125,000	125,000	0.0	Irrigation Wells
	0	150,000	150,000	0.0	Westmoreland Renovation Grant Match
	0	150,000	150,000	0.0	Springwater Trail Three Bridges Grant Match
	0	0	0	0.0	0
	0	0	0	0.0	Other Resources
	0	3,025,000	3,025,000	0.0	Local Option Levy
	0	222,500	222,500	0.0	Portland Parks Trust Fund
	0	281,000	281,000	0.0	Golf Operating Fund
	0	500,000	500,000	0.0	Federal Grants Transfers
	0	1,734,546	1,734,546	0.0	System Development Charges
	0	569,787	569,787	0.0	Local Cost Sharing
	0	0	0	11.0	Position Supported by Capital Funding
	0	0	0	0.0	0
Approved Budget Additions and Reductions					
	0	(3,025,000)	(3,025,000)	0.0	Remove Local Option Levy
	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	0	(1,580)	(1,580)	0.0	Reduce Repair and Maintenance
	0	1,580	1,580	0.0	COPPEEA Professional Development Fund
	0	0	0	0.0	0
	0	5,223,833	5,223,833	11.0	Total FY 2002-03 Decision Packages
			\$ 5,223,833	11.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	617,000	617,000	0.0	Community Music Center Seismic Upgrade
	0	125,000	125,000	0.0	Killingsworth Land Acquisition
	0	41,000	41,000	0.0	Pittock Mansion Renovation
	0	50,000	50,000	0.0	Tree Assessment and Remediation
	0	1,018,000	1,018,000	0.0	Urban Forestry HQ and Maintenance Facility
	0	0	0	0.0	0
			\$ 1,851,000	0.0	Total Decision Packages Not Funded



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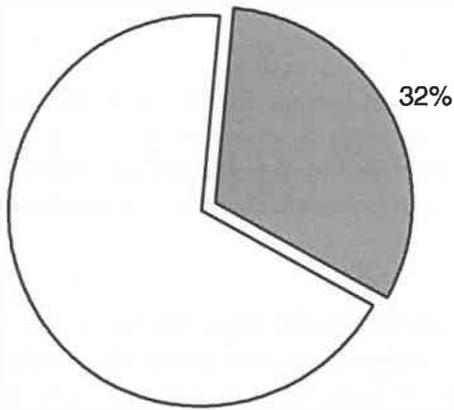


Public Utilities

Bureau of Environmental Services

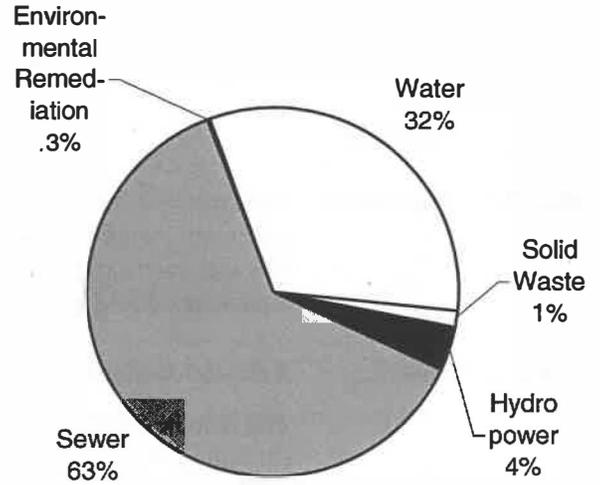
Bureau of Water Works

Percent of City Budget
Public Utilities = \$443.4 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	127,188,048	129,491,644	2,303,596	-3.7%
Capital	113,383,200	129,138,651	15,755,451	7.7%
Allocated Overhead Costs	3,849,020	4,083,874	234,854	0.3%
Total Cost with Allocated Overhead	\$ 244,420,268	\$ 262,714,169	\$ 18, 293,901	1.6%
Authorized Full-Time Positions	989	970	-19	-7.3%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Public Utilities Service Area includes utility services provided by the City. These services include water and sewer service, and stormwater management functions. This service area also includes administration of the Solid Waste and Recycling program, which is operated by private companies under franchise and permit systems for residential and commercial service, respectively. Solid Waste program administration is housed within the Office of Sustainable Development.

MAJOR THEMES

Utility Rate Increases The Adopted Budget for FY 2002-03 includes an average effective retail rate increase for water service of 8.8 percent. The average single family sewer rate increase is 7.9 percent. The rate increases for water and sewer service are less than planned because of budget reductions. Solid waste collection and recycling rates are about the same as in FY 2001-02.

Bureau of Water Works

Adopted Budget

The Adopted Budget for the Bureau of Water Works (the Water Bureau) is \$89.1 million, excluding the Hydroelectric Division. This budget consists of an operating budget of \$47.7 million and a capital budget of nearly \$41.5 million. The operating budget decreased about \$5.1 million from the FY 2001-02 Revised Budget and the capital budget increased approximately \$15.4 million.

Customer Information System (CIS)

The Water Bureau's new CIS billing system is still not fully functioning since becoming operational in February 2000. The system is currently sending timely and accurate bills to approximately 96 percent of the total 160,000 accounts. The billing problems have resulted in revenue shortfalls, lost interest earnings, and potential write-offs of uncollectable bills for both the Water Bureau and the Bureau of Environmental Services (BES). In the FY 2002-03 budget, Water and BES have offset additional CIS costs by reducing their operating budgets.

Bond Credit Rating

The Water Bureau continues to be assigned an Aa1 revenue bond credit rating from Moody's Investor's Service. This rating, the highest achievable, is only held by six water utilities nationally.

Bureau of Environmental Services

Adopted Budget

The Adopted Budget for the Bureau of Environmental Services (BES) is \$168.9 million. This budget consists of an operating budget of \$75.8 million and a capital budget of \$93.1 million. The operating budget increased about \$2.1 million compared to the FY 2001-02 Revised Budget, and the capital budget increased approximately \$5.8 million.

Combined Sewer Overflow Program

The Combined Sewer Overflow program continues to be the largest capital program, with surface water management, treatment, and maintenance and reliability being other significant areas of capital spending.

Portland Harbor Sediments

This relatively new program manages the City's response to the federal Environmental Protection Agency's listing of the Willamette River Portland Harbor as a Superfund site. Funding for this program is budgeted at approximately \$2.7 million in FY 2002-03.

Office of Sustainable Development**Adopted Budget**

The Solid Waste and Recycling Division's Adopted Budget is \$2.9 million compared to the FY 2001-02 Revised Budget of \$3.6 million. Funding primarily supports the residential and commercial solid waste and recycling programs. Over \$500,000 is budgeted toward implementation of a commercial food waste recycling program.



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Bureau of Environmental Services

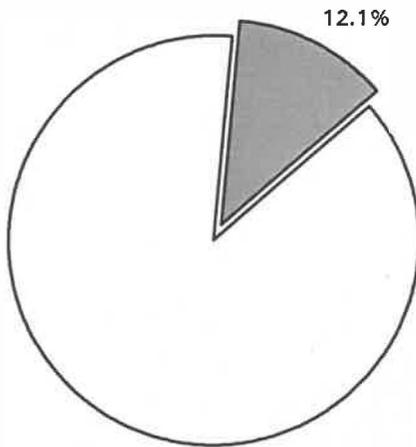
Public Utilities Service Area

Dan Saltzman, Commissioner-in-Charge

Dean Marriott, Director

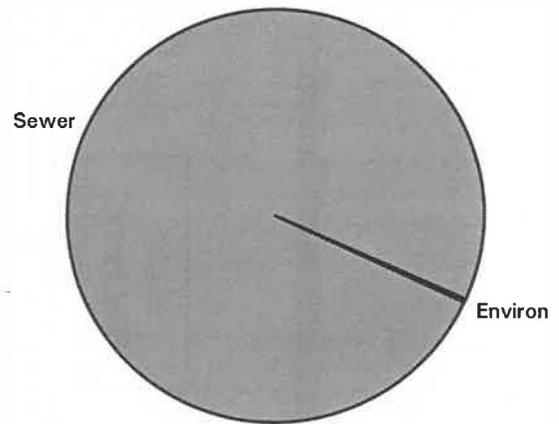
Percent of City Budget

BES = \$169 Million



City Budget = \$1.4 Billion

Bureau Divisions

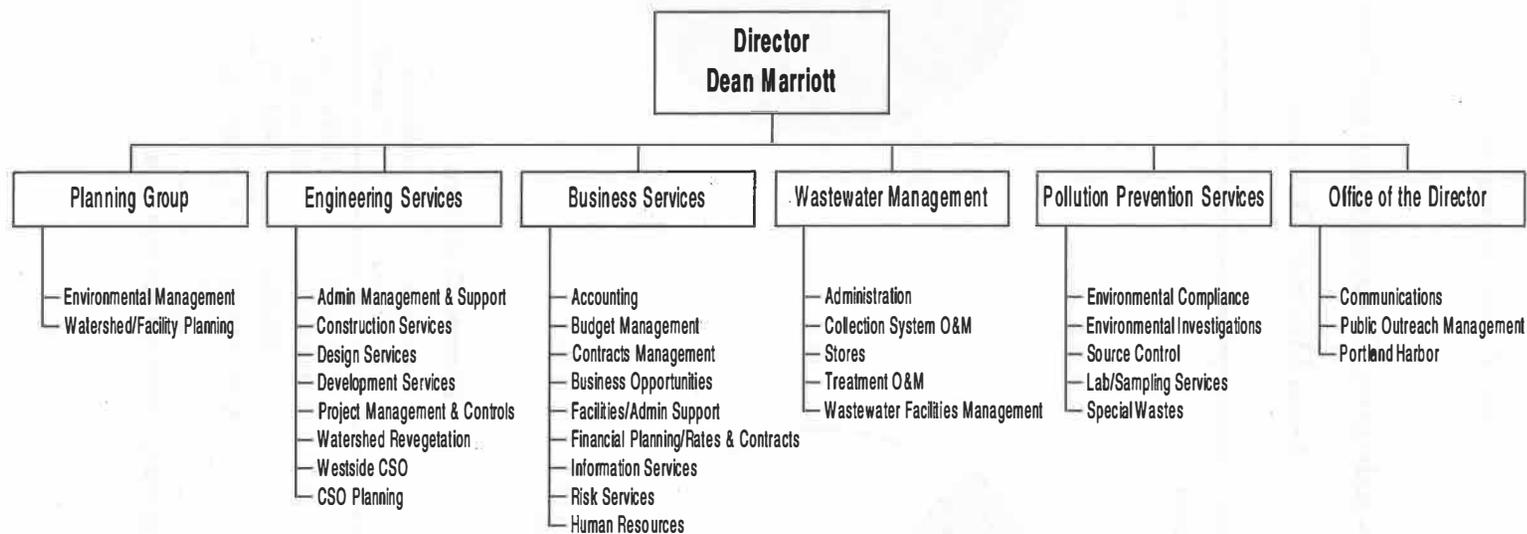


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	73,704,091	75,829,912	2,125,821	-2.7%
Capital	87,359,200	93,139,951	5,780,751	0.8%
Allocated Overhead Costs	1,886,593	2,467,561	580,968	23.7%
Total Cost with Allocated Overhead	\$ 162,949,884	\$ 171,437,424	\$ 8,487,540	-0.5%
Authorized Full-Time Positions	458	456	-2	-5.9%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau of Environmental Services



Bureau Summary

BUREAU MISSION

The Bureau of Environmental Services serves the Portland community by protecting public health, water quality, and the environment.

We protect the quality of surface and ground waters and conduct activities that promote healthy ecosystems in our watersheds.

We provide sewage and stormwater collection and treatment services to accommodate Portland's current and future needs.

VISION AND VALUES

Bureau Values

The employees of the Bureau of Environmental Services

- ◆ Value Portland's natural environment;
- ◆ Practice environmental sustainability in their work;
- ◆ Promote environmental equity;
- ◆ Are proud of their work and accountable for their actions;
- ◆ Respect and honor the diversity and contributions of the bureau's co-workers;
- ◆ Help and encourage each other to succeed individually and as part of a team;
- ◆ Explore both traditional and innovative ways to achieve intended results;
- ◆ Provide responsive, cost effective, and reliable services to their customers;
- ◆ Value and promote the equitable development and use of historically underutilized businesses;
- ◆ Work in partnership with the community; and
- ◆ Promote a safe and healthy workplace.

Vision

The Bureau of Environmental Services protects Portland's environment and supports a healthy economy by providing excellent service, being cost effective, and demonstrating environmental leadership.

For the next five years, the bureau will focus on a set of goals and objectives to help accomplish the bureau vision. The following goals address three critical elements: excellent service, cost effectiveness and environmental leadership. These elements will be adequately funded and fully coordinated, and the bureau will measure its progress in achieving each goal.

BUREAU OVERVIEW

Organizational Description

The Bureau of Environmental Services is comprised of two divisions: the Sanitary Sewer and Stormwater Division and the Environmental Remediation Division.

The FY 2002-03 Adopted Budget reflects ongoing efforts to provide cost-effective and efficient sanitary sewer and stormwater services, meet state and federal regulatory requirements, and promote healthy ecosystems in Portland's watersheds.

Total budget increases 4.9%

The bureau has maintained its commitment to restrain growth of, and in some cases, reduce operating and capital costs and still meet all service standards and regulatory mandates. The total Environmental Services' budget, both operating and Capital Improvement Program (CIP) for sanitary and stormwater services, is \$168.9 million, 4.9% higher than the revised budget for the current fiscal year. The adopted budget supports 456 FTEs, down two from the revised budget.

The Sanitary and Stormwater operating budget reflects new environmental planning efforts.

The adopted budget reflects a shift of staff expenditures from CIP planning and design work to construction. It also includes increased costs for the Portland Harbor remediation, strategic planning for West Willamette River restoration activities, and increased commitment to sanitary and stormwater maintenance activities.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Sewer Funding

The FY 2002-03 Adopted Budget for the Bureau of Environmental Services maintains funding support to meet regulatory requirements and to operate and maintain a sanitary sewer and stormwater infrastructure.

Major Events

There are three ongoing events that have impacted the bureau's priorities and programs.

1. BES continues to deal with the functionality and performance of the new Water Bureau billing system. BES forecasts \$1.0 million in addition to the current interagency for each of the next three years. The expenditure is for increased personnel and system maintenance costs as the system is brought to stability.
2. The bureau's 5-year CIP requirements are larger this year because of the Westside Tunnel project. The bureau's CIP is \$5.8 million higher than the current year's capital budget, which is consistent with the 5-year capital improvement plan.
3. A significant programmatic shift over the current year's revised budget is the increased funding of \$1.1 million for the Portland Harbor Superfund effort. These funds will be used to support remedial investigation and analysis of contamination in Portland Harbor, in coordination with other public and private property owners near the Superfund site.

All of the above puts pressure on the remaining operating programs to maintain services, to find new funding for new initiatives, and to manage their programs within the limitations of the bureau's financial condition.

SUMMARY OF BUDGET DECISIONS

Budget Changes

The Adopted Budget for FY 2002-03 reflects continuing efforts within the bureau to constrain growth in costs.

Personal Services costs have increased by 6.7%, reflecting cost-of-living adjustments from the previous year, mid-year position growth within the Portland Harbor Program, and additional resources for overtime within the CIP. A more detailed discussion of staffing follows.

Funding for the bureau's total External Materials and Services has decreased by 14.2% reflecting a reduction of design consulting services within the capital improvement program. The operating portion of the External M&S budget reflects a 4.0% decrease driven by reductions in all bureau operating programs. Bureau programs were given the challenge of offsetting any cost increases with equal cost reductions.

Internal Materials and Services, or services from other City bureaus, reflect a 7.1% increase for:

- ◆ additional sanitary and stormwater services from the Bureau of Maintenance (BOM);
- ◆ additional costs of \$1.2 million to the Water Bureau for customer information and sewer billing services; and
- ◆ a \$114,164 or 6.2% increase to the Bureau of Information Technology (BIT) for centralized services IT services.

Required funding for sewer capital equipment (\$811,000) has been reduced by 61.4% due to changes in Sanitary Sewer and Stormwater Division equipment needs.

Position Changes

*The bureau has 456 positions
- two fewer than current
Revised Budget*

Over the past three years, the bureau has pursued a strategy that first tries to offset the cost of new hires by cutting existing vacancies. In certain cases, limited-term positions will be used to accommodate new workload and to determine if the work is permanent before creating a permanent position.

In FY 2002-03, there will be a net reduction of two positions. Four positions are being added: one CIP technician to assist in environmental investigations related to City construction sites, one water sampling technician, and two contract lab analysts, who have been converted to City employees due to on-going work. The three lab positions are directly related to work increases within the Water Pollution Control Lab and are funded by program areas within the Sewer Fund.

Six positions are being eliminated, five operating and one CIP: one due to technology improvements, three due to retirements, and one moved to part-time. In all cases, the bureau has committed to absorb the work of eliminated positions. The CIP position is eliminated because of reductions in design projects.

Average Rate Increase

*Average residential sewer
bills will increase 7.9%*

The Adopted Budget for FY 2002-03 requires an increase in the average single family residential sanitary sewer and stormwater bill of 7.9%, which is slightly lower than the amount forecast in the bureau's five-year financial plan, submitted in December 2001.

Strategic Direction

RECENT TRENDS

There are several programs and requirements that significantly affect the bureau's operations and spending. The following continuing and new trends have a major impact on the bureau's financial requirements and resource needs.

Continuing Trends

Combined Sewer Overflow

The City is subject to three administrative orders issued by the Environmental Quality Commission relating to overflows from the combined sewer portion of the collection system. The City has agreed to eliminate discharges that violate applicable water quality standards by December 1, 2011. The estimated capital costs over the life of the project are approximately \$1 billion (current dollars).

National Pollutant Discharge Elimination System (NPDES) Stormwater Permit

The City is obligated to meet the terms of the NPDES stormwater permit through a combination of best management practices and water quality facilities. The operating cost impact of these requirements, distributed across bureau and other City programs (for example, Bureau of Maintenance services), exceeds \$500,000 per year and is expected to increase in future years, primarily from increased operations and maintenance expenditures associated with new water quality facilities.

Bond Covenants

The City has covenanted with bondholders to operate the system in a safe, sound, efficient, and economic manner, and to "cause the System to be maintained, preserved, reconstructed, expanded and kept, with all appurtenances and every part thereof, in good repair, working order and condition".

Maintenance and Reliability

The bureau continues to examine operating requirements for maintenance and reliability. New facilities continue to be added, such as sumps, separated sewers, pollution reduction facilities, and odor control facilities for tunnels and pump stations. The sewer system continues to age. Forthcoming sanitary sewer overflow regulations will require development of a formal Capacity, Management, Operations, and Maintenance program for preventing and mitigating sanitary sewer overflows.

New Trends

Underground Injection Control Rules

Revisions to OAR 340-044 related to underground injection control rules were adopted by the Environmental Quality Commission in June 2001 and became effective in September 2001.

The rules define any form of discharge of stormwater below ground as a Class V injection well. This definition includes the more than 14,000 sumps maintained by the City. Additionally, the regulations provide for a rule authorization, under which the City must submit a detailed Stormwater Master Plan by July 2002. The plan must include a system wide assessment, evaluation of land use and activities in catchment areas, and best management practices for source control and for operations and maintenance.

Economic

Increased sewer rates have provided customers with increased incentives to conserve water. Escalating rates have also encouraged commercial and industrial customers to alter their processes to reduce sewer usage. Revenues for the current fiscal year reflect these customer conservation efforts and the bureau expects this trend to continue.

SIGNIFICANT ISSUES

Environmental Issues Watershed Planning

BES is leading the preparation of Portland's watershed plans to protect and restore urban waterways. The plans will provide a comprehensive framework for implementing projects and applying management tools (within each sub-watershed) in a manner that achieves City goals for protecting public health and safety, improving water quality, and restoring watershed health. Watershed planning is a joint effort among City bureaus.

Endangered Species Act

Listing of steelhead and chinook salmon under the ESA

In March of 1998 and March of 1999 the National Marine Fisheries Service (NMFS) issued final rules to list the Lower Columbia steelhead and chinook salmon as threatened species under the Endangered Species Act (ESA). Earlier, in May 1997, NMSF designated Coho salmon as a candidate for possible listing. A listing as threatened for coastal cutthroat trout, still pending, was also proposed in March of 1999. Portland contains all of the areas of these listings.

Portland Harbor Sediments

EPA has listed Portland Harbor as a Superfund site

The Environmental Protection Agency (EPA) has listed the Willamette River Portland Harbor as a Superfund site on the National Priorities List. The site is approximately six river miles in length, extending from the Multnomah Channel to the Swan Island industrial area, all within the corporate boundaries of Portland.

The City is participating in the Lower Willamette Group, a group of potentially responsible parties that has negotiated an administrative order with the EPA to fund and define the parameters of a remedial investigation and feasibility study to determine the extent of contamination in the Harbor. The City's potential contribution of contaminants is associated with stormwater discharges to the river through combined sewer outfalls and at two specific sites: the Water Pollution Control Laboratory site and the Linnton oil fire training ground site.

Because the total costs associated with the cleanup are unknown, the bureau cannot predict the financial impact on the sewer system. The bureau is completing an outfall evaluation plan in cooperation with the Oregon DEQ. Information on current and past land uses in tributary areas will be used to identify upland sources of contaminants already identified through sampling and testing. Cleanup and restoration will also make use of the bureau's comprehensive watershed planning efforts now underway.

Water Quality Compliance

BES works to improve water quality to meet State DEQ requirements

Most of the waterways in the city of Portland are water quality limited under Section 303(d) of the Clean Water Act, and thus subject to the issuance of Total Maximum Daily Loads (TMDLs). For instance, the water quality of the Columbia Slough has been affected by municipal and industrial stormwater discharges and CSOs. Based on data from a City assessment of the Slough, the DEQ has prepared draft TMDLs for bacteria, dissolved oxygen, toxic pollutants, and eutrophication.

The Tualatin River has recently been reissued TMDLs for an expanded list of water quality parameters including bacteria, dissolved oxygen, phosphorous, and temperature. The City is in the process of planning, predesign, design, and implementation of various measures, including water quality facilities, to meet the TMDL requirements applicable within the city.

The next major TMDL issuance will be for the Willamette River and its tributaries. By State legislative action, the TMDL and associated water quality management plans for the Willamette must be completed by the end of 2003. The current focus of that TMDL process is on temperature, mercury and bacteria. As part of that watershed review, Johnson Creek and Tryon Creek will be considered for their roles in meeting the TMDLs.

Columbia Boulevard Wastewater Treatment Plant Biosolids Removal

State requires the bureau to line the lagoon at the Columbia Blvd Treatment Plant

The solids storage facility (lagoon) at the Columbia Boulevard Wastewater Treatment Plant does not have an impervious lining and at certain times of year the bottom of the lagoon may be as much as four feet below the groundwater level, posing a potential risk to area groundwater quality. The Oregon DEQ requires new facilities of this type to be lined to prevent groundwater degradation. The plant's NPDES permit requires groundwater monitoring in the vicinity of the lagoon. The bureau has initiated a predesign for the lagoon lining and renovation. This project is in the current Capital Improvement Program.

Lining the lagoon will require removal of approximately 21,000 dry tons of solids. Several options for solids removal were considered as part of the lagoon predesign process, including land application, landfilling, and monofilling. Pursuant to predesign report recommendations, the City's contractor has applied to DEQ for monofill permits. The bureau currently meets applicable state and federal land application standards by diluting solids from the storage lagoon with contemporary process biosolids from the treatment plant. If new federal dioxin and related compound standards make this infeasible, a more expensive landfill alternative will be required for any solids not placed in the monofill.

Columbia Slough Sediments

On October 7, 1993 the City entered into a consent order with the DEQ to conduct a remedial investigation and feasibility study of contaminated sediments in the Columbia Slough. The main purposes of the study were to determine which contaminants are present and at what levels, define the types of risks posed, identify hot spots of sediment contamination, and propose types of cleanup actions. The City has begun a feasibility study of potential cleanup options for Buffalo Slough, a side channel of the Middle Columbia Slough. DEQ has not formally accepted this report because of additional data needs. The City also completed risk assessments at Wapato Wetlands (a side channel of the Lower Slough), and at 16 areas of potentially high risk in the Middle and Upper Slough. Of the 16 sites, only two areas may have sediment remediation implications.

MAJOR INITIATIVES

Combined Sewer Overflow Program

The CSO Program is scheduled for completion by 2011.

The City has been working since the late 1980's to reduce the amount of Combined Sewer Overflows (CSOs) that enter the Willamette River and the Columbia Slough. The cost of completing this work is approximately \$1 billion (current dollars) and is currently on schedule for completion by 2011.

Endangered Species Act

The City has established a comprehensive framework for developing a Portland-specific recovery plan for these species. BES is developing comprehensive watershed plans for the Willamette River watershed as well as the Fanno/Tryon Creek, Johnson Creek, and Columbia Slough sub-watersheds. These comprehensive plans will provide background information and recommendations for improved watershed health that will support the City's fish recovery efforts. The City is beginning to evaluate how to modify practices for threatened species protection. Informal negotiations with NMFS have begun and will more clearly establish the City's requirements under the ESA.

MANAGEMENT GOALS & OBJECTIVES

Excellent Service

The bureau is dedicated to excellent service. Excellent service means delivering the level and quality of service desired by customers in a cost-effective manner. The following four excellent service long-term goals are essential to this strategic plan.

Operations and Maintenance Goal

Operate and maintain Portland's sewer collection, stormwater, and wastewater treatment system in a manner that meets established standards at a value that equals or exceeds that of other municipalities and private operators providing an equivalent level of service.

Operations and Maintenance Objective One: By July 1, 2003, establish measures to guide system operations and maintenance and measure system performance.

- ◆ Establish goals for reducing sewer backups, overflows, and street failures caused by sewer system failures.
- ◆ Review, revise, and develop service standards for operating and maintaining the sewer, stormwater, and wastewater treatment systems.
- ◆ Clarify roles and responsibilities within the bureau (and with other City bureaus) for providing sewer and stormwater operations and maintenance services.
- ◆ Continue to develop and refine wastewater treatment performance measures and benchmarks.

Operations and Maintenance Objective Two: Operate and maintain the sewer, stormwater and wastewater treatment systems in a manner that delivers effective, reliable, and efficient service.

- ◆ By July 1, 2003, implement a capital program that accomplishes the necessary rehabilitation and replacement work to meet established goals for sewer and stormwater system performance.
- ◆ By July 1, 2004, implement an operations and maintenance program for the sewer, stormwater, and wastewater treatment infrastructure that meets service standards and system performance goals.

Operations and Maintenance Objective Three: Perform operations and maintenance activities in a manner that limits adverse environmental impacts.

- ◆ By July 1, 2003, evaluate materials storage, handling, and transportation to identify opportunities for improving or adding best management practices to increase protection of the environment.
- ◆ By July 1, 2005, implement best management practices for materials storage, handling, and transportation to protect the environment.

Watershed Management Goal

Implement programs and develop activities to improve the health of Portland's watersheds.

Watershed Management Objectives:

- ◆ Establish watershed baseline conditions, develop watershed targets, and identify methods of measuring success (monitoring).
- ◆ Develop and produce consistent planning, predesign, design, construction, and operations and maintenance procedures and end products.
- ◆ Involve clients/ratepayers in defining issues and problem resolution.

Human Resources and Workforce Development Goal

Develop a workforce and work culture committed to and actively involved in meeting the challenge of excellent service.

Human Resources and Workforce Objectives:

- ◆ Provide employees with clear expectations to encourage a personal commitment to excellent service in the performance of job duties and responsibilities.
- ◆ Provide the means and resources for employees to develop the skills needed to provide excellent service both now and in the future.
- ◆ Create an environment that accepts and encourages employee participation in decision-making, goal setting, and work planning.
- ◆ Provide the means to support and encourage excellent service by providing feedback and recognition to individual and team efforts to improve and enhance service.
- ◆ Maintain a safe, positive work environment that is free from intimidation and hostility and is open and respectful of differences among employees.
- ◆ Maintain a safe and healthy work environment as free as possible from physical hazards or adverse working conditions.

Stakeholder Involvement Objectives: Actively involve stakeholders in bureau decisions, projects and activities.

- ◆ Tailor information, education, and involvement opportunities to the audience and project or activity.
- ◆ Provide a range of opportunities for stakeholders to describe and discuss their interests, concerns, and issues related to bureau activities.
- ◆ Measure change in stakeholder awareness and support for bureau efforts through use of surveys such as Service Efforts and Accomplishments.

Cost Effectiveness

Cost effectiveness means delivering the highest level of service desired by bureau customers in the least costly manner by implementing the three comprehensive long-term cost effectiveness goals.

Cost Effectiveness Work Goal

Develop and implement bureau programs and services at lower cost than those of other municipalities and privately operated systems that provide a similar level of service.

Cost Effective Work Objectives:

- ◆ On an on-going basis, evaluate and measure how the bureau compares to other agencies (public and private) in cost and effectiveness of programs and services.
- ◆ Analyze benchmarking data to determine efficiency, effectiveness, and cost status of bureau programs and services, to identify performance gaps, and to develop and implement continuous improvement plans.

Financial Planning Goal

Develop and maintain a financial planning process that produces a stable forecast for the five-year financial plan and that meets operating and capital needs.

Financial Planning Objectives:

- ◆ Maintain and evaluate a five-year integrated operating and capital plan to provide a stable forecast of funding requirements for bureau programs and services.
- ◆ Continuously review opportunities for developing and implementing alternative source for funding bureau programs and services.

Budget Planning Goal

Develop and maintain a budget planning process that ensures funded activities conform to the bureau's strategic plan.

Budget Planning Objective:

- ◆ Annually update criteria for establishing priorities; then rank services and programs.

Environmental Leadership

Environmental leadership means promoting and participating in actions that cause positive change in meeting long-term environmental goals. Actions include proactively creating and influencing environmental policy and law, working constructively to avoid or resolve disputes, testing innovative solutions, being a good steward of Portland's watersheds, rivers and streams and financially supporting these efforts.

Regulatory and Policy Goal

Successfully demonstrate leadership that results in cost effective policy, programs, and regulations to protect and enhance Portland's natural environment with measurable benefits.

Regulatory Objectives:

- ◆ Re-negotiate selective mandates and orders to decrease costs and increase environmental benefits.
- ◆ Influence the development and passage of laws and regulations to assist the bureau in meeting its mission and goals.

Policy Objectives:

- ◆ Use innovative management approaches and technologies.
- ◆ Assure that bureau programs and activities meet multiple objective and mandates.
- ◆ Involve citizens/ratepayers in defining issues and problem resolution.

Portland Harbor Objectives:

- ◆ Exercise leadership in the Portland Harbor Superfund effort to evaluate water quality and sediment contamination issues.
- ◆ Exercise leadership in the restoration of natural resources in conjunction with Natural Resource Trustees and demonstrate integration with River Renaissance efforts Citywide.

Partnership Development Goal

Develop and maintain partnerships to achieve environmental goals, optimize resources, and accomplish outcomes.

Partnership Development Objectives :

- ◆ Be a major leader/participant in addressing watershed issues in the entire Willamette basin including upstream issues.
- ◆ Work with citizens to develop and promote a sense of stewardship of Portland's watersheds.

COUNCIL PRIORITIES

**How BES Meets
Council Goals**

Build a livable city through good planning and well-managed growth.

The bureau continues to invest in long-term facility planning to identify capital improvement requirements and meet sanitary sewer and stormwater drainage needs of new and existing development within the city's urban services area. The BES budget also supports interagency agreements with the Bureau of Planning and the Office of Planning and Development Review to review new development for sewer and stormwater controls. The budget provides funding for the City to participate in regional planning activities through intergovernmental affairs and regulatory planning.

Ensure a safe and peaceful community.

Bureau field staff have participated in neighborhood watch programs. A major activity of the bureau is to manage stormwater runoff in ways that minimize potential harm to private property.

Promote the inclusion of under represented neighborhoods and groups in participation in City activities and services.

The bureau encourages and facilitates public involvement.

Public involvement to inform and involve citizens in decision-making is an inherent part of major capital programs like the CSO program. Committees, such as those involved in planning for the Columbia Boulevard Sewage Treatment Plant, advise on industrial customer matters and meet on an as-needed schedule. The bureau has implemented watershed stewardship programs to encourage citizen involvement in protecting the natural environment within urban watersheds. BES staff also meet regularly with the Portland Utilities Review Board (PURB) and its committees.

BES undertakes a wide variety of activities to promote housing goals, ranging from sewer extensions to disconnecting downspouts, and financial assistance.

Ensure decent, affordable housing.

The bureau's efforts to expand sanitary sewer services within unsewered areas assist in maintaining quality housing for Portland residents. Sewer extensions in Mid-County have included deferred and low interest loans for low income households. The budget funds the Downspout Disconnection program, which supports neighborhood groups and civic organizations and assists homeowners in disconnecting downspouts and reducing combined sewer overflows.

BES supports financial stability through financial planning, revenue enhancements, rate updating, and favorable bond ratings.

Maintain a financially stable City.

Operations: The bureau routinely updates financial plans to anticipate and accommodate changes in operating requirements and customer usage patterns. High quality financial planning is key to ensuring long term financial stability and is also important to gaining high credit ratings for revenue bond issues.

The bureau also aggressively pursues cost control and reduction in operating programs to keep rate increases as low as possible and to maintain as much funding flexibility as possible for new regulatory requirements. Several program areas have achieved net reductions in operating positions. The Wastewater Group participates in an inter-governmental benchmarking exercise that helps to identify operating efficiencies and cost reduction strategies.

Capital: The bureau has developed a comprehensive procedure to evaluate and prioritize capital projects within the 5-year capital improvement program to ensure only the highest priority needs are funded. CIP management has focused on improving project management and accountability with measurable results. Over the past several years, the ratio of actual expenditures to budget has risen to the range of 90% to 95%. The bureau has also established benchmarks for design costs as a percent of total project costs.

Revenue Enhancements: The bureau has been actively researching new revenue sources as a means of constraining growth in sanitary sewer and stormwater rates. In FY 1999-00, BES implemented new industrial pre-treatment permit fees to recover one-third of the permit program costs. The bureau has increased such cost recovery to 50%.

The bureau has also instituted new fees for land use review and increased fees for services relating to plan reviews. A new system for charging commercial and industrial customers for extra-strength sewage will also be implemented as soon as possible after the new billing system is stabilized.

Promote economic vitality and access to quality jobs for all.

BES supports economic development through extension and operation of sanitary and drainage services. The budget supports the Business Opportunity program dedicated to increase and improve the level of participation of minority- and women-owned businesses and emerging small businesses in bureau construction projects. The budget also supports the industrial waste permit program, spill investigations, industrial source control efforts, and pollution prevention efforts to provide technical assistance to businesses.

Promote healthy families and children.

BES provides a healthy environment for Portland's families.

Environmental programs of the bureau help support a healthy environment for Portland's families. Much of the capital investment is aimed at protecting and improving the environment through adequate and proper treatment of sewage and protection of stormwater runoff and surface streams. Industrial source control and pollution prevention activities also reduce health hazards in the environment.

Maintain and improve our parks, green spaces, water and air sheds.

BES is the lead planning agency for protecting watersheds

BES is leading the preparation of Portland's watershed plans to protect and restore urban waterways. The plans will provide a comprehensive framework for implementing projects and applying management tools (within each sub-watershed) in a manner that achieves City goals for protecting public health and safety, improving water quality, and restoring watershed health. Watershed planning is a joint effort among City bureaus.

Support quality education to produce well-educated citizens.

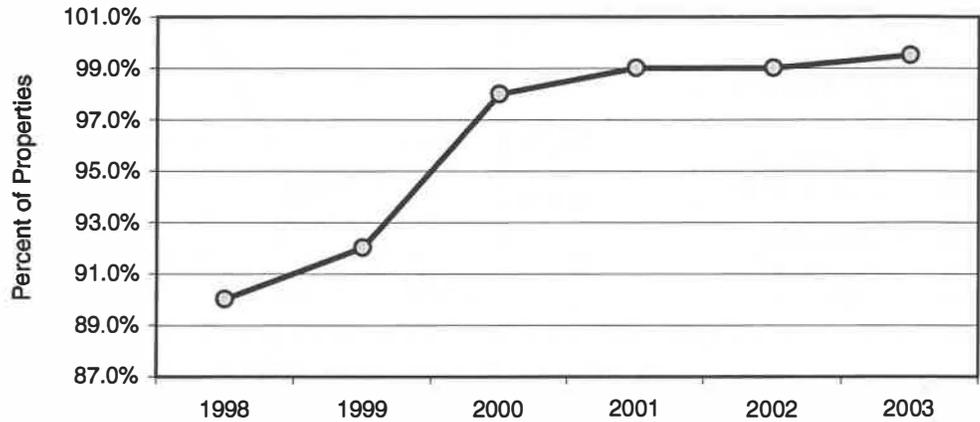
BES promotes environmental education in schools and neighborhoods.

The bureau actively seeks to educate citizens, neighborhood groups, businesses, and trade associations on a range of topics and bureau programs. The bureau also supports environmental education programs that partner with schools on classroom presentations, field trips, streamwalks, treatment plant tours, stream restorations, and citizen monitoring of creek, stream and river health.

Performance Measures

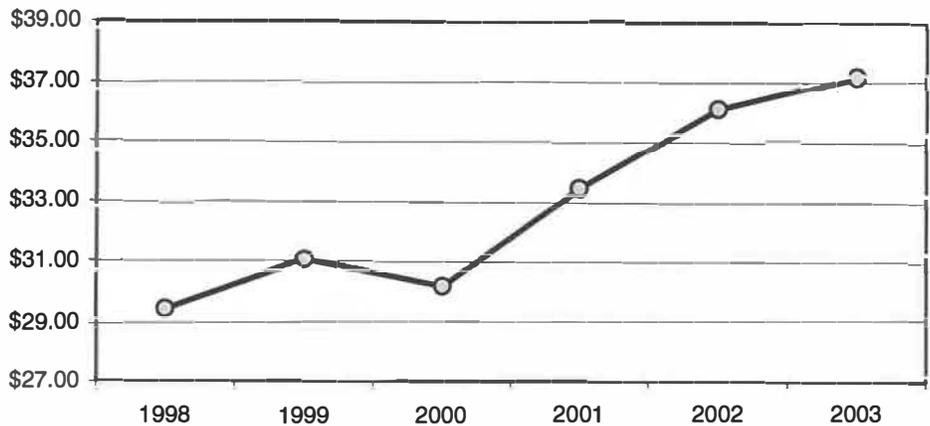
Mid-County Properties with Cesspools Disconnected

- ◆ Construction in Mid-Multnomah County has been completed, thus slowing the rate at which cesspools are disconnected and sewer connections are made.
- ◆ By 2003, all Mid-County properties will be connected to the sewer system.



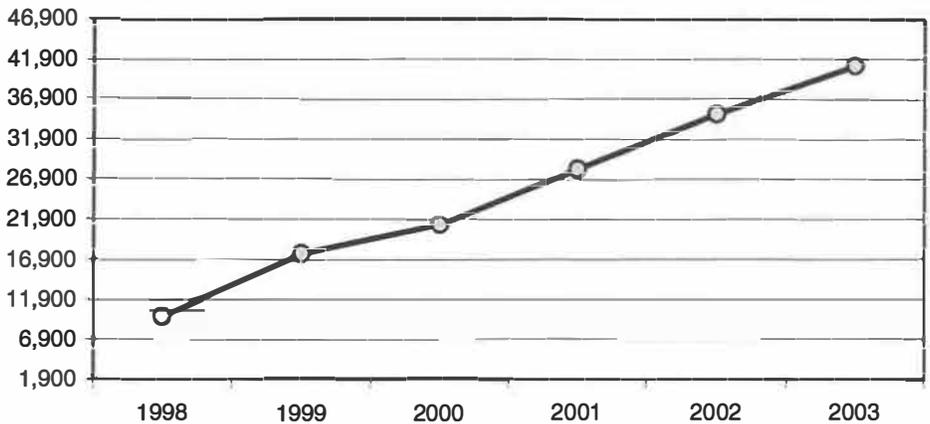
Annual Wastewater Program Unit Cost

- ◆ Costs per sewage population equivalent is a benchmark for measuring average system costs.
- ◆ Recent increases are due to rising costs for energy and fuel, and additional resources for maintenance of the sewer collection system and for chemicals used to control odors.



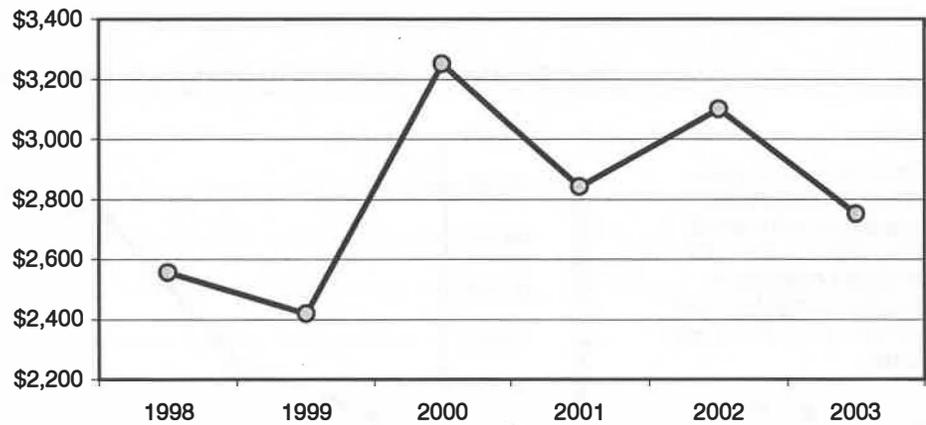
Number of roof drains disconnected (cumulative)

- ◆ Roof drain disconnections will proceed in accordance with CSO program schedules.
- ◆ Projections reflect completion of the Columbia Slough portions of the Disconnect Program and progress on the Willamette River portions.

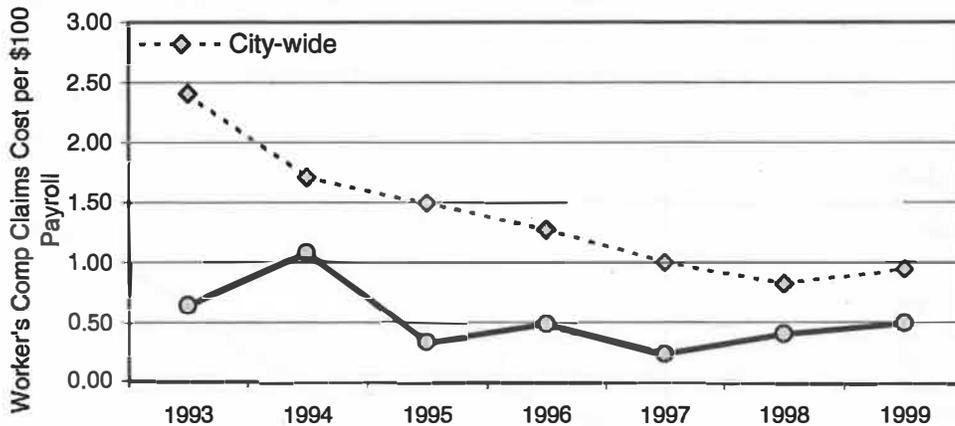


Average Cost for Investigation and Remediation of Contaminated Sites

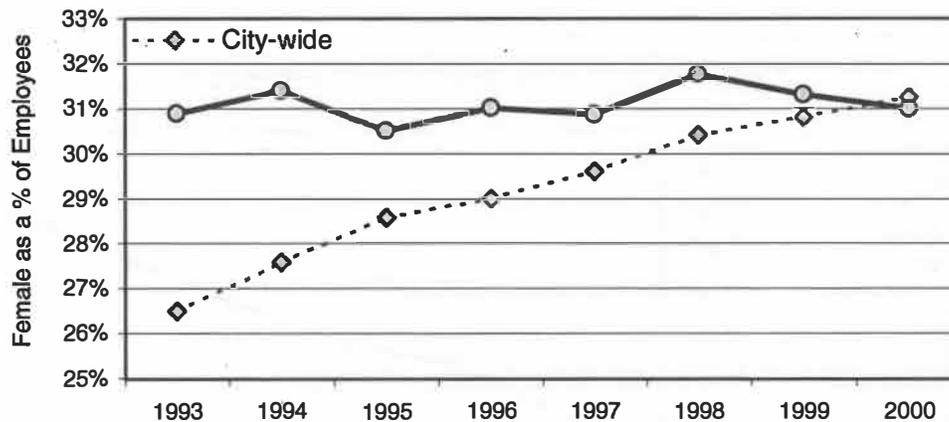
- ◆ In FY 1996-97, bureau spending on site investigations averaged \$6,183 per site. Work on sites investigated and remediated was performed by outside consultants.
- ◆ In 1997, the bureau pulled this consultant work in-house. Almost immediately the bureau realized staff savings.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



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PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF ENVIRONMENTAL SERVICES						
Affirmative Action Measures						
Affirmative Action - Minority	12.9%	13.3%	14.1%	14.1%	13.8%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	29.9%	30.5%	30.3%	32.0%	31.5%	
Female Employees as a Percent of Total						
Sanitary Sewer and Stormwater Division						
Risk Data						
General Liability Claims per 200,000 Hours Worked	27.23	9.79	11.13	10.99		
Worker's Comp Claims per 200,000 Hours Worked	5.35	6.03	6.05	6.08		
Fleet Claims per 100,000 Miles Driven	0.64	0.47	0.62	0.25		
Fleet Claims Cost per 100,000 Miles Driven	\$1,030	\$498	\$560	\$120		
General Liability Claims Cost per \$100 Payroll	\$0.35	\$0.65	\$0.53	\$0.17		
Worker's Comp Claims Cost per \$100 Payroll	\$0.23	\$0.40	\$0.49	\$0.38		
Engineering Services						
Workload						
Number of Roof Drains Disconnected (cumulative)	9,761	17,644	21,186	28,144	35,000	41,000
Effectiveness						
Mid-County properties with cesspools disconnected since 7/1/87	90.0%	92.0%	98.0%	99.0%	99.0%	99.5%
Percent of original number of properties with cesspools						
Efficiency						
Construction management costs as a percentage of total construction costs	8%	12%	11%	13%	10%	10%
Planning						
Workload						
Feet of streambank restored (cumulative)	102,428	119,100	138,100	177,494	225,244	265,244
Effectiveness						
Number of individual participants in projects catalyzed or hosted by the Stewardship Program	3,100	7,611	3,400	9,465	8,000	12,000
Efficiency						
Percentage of planning level cost estimates that meet the targeted range of actual program cost			80%	70%	80%	80%
Targeted range: -30% to +50%. In FY 1998-99, only one project had a planning estimate developed through the new planning standards.						
Wastewater Treatment						
Workload						
Sewage population equivalent served	904,090	914,613	942,415	876,289	893,076	894,193
Effectiveness						
Percent of Biochemical Oxygen Demand (BOD) removed	93.6%	92.0%	94.4%	95.1%	95.0%	90.0%
Total Biochemical Oxygen Demand (BOD) load/0.17 lb. (sewage population equivalent)						
Efficiency						
Annual Wastewater Program unit cost	\$29.46	\$31.08	\$30.17	\$33.44	\$36.06	\$37.13
Dollar amount per year per sewage population equivalent						

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est FY 2001-02	Adopted FY 2002-03
Pollution Prevention Services						
Workload						
Number of lab analyses performed each year	60,245	58,442	55,440	51,662	71,118	78,300
Effectiveness						
Percent of industrial enforcement tests in full compliance	97.1%	98.0%	98.6%	98.8%	98.0%	99.0%
Efficiency						
Average resources spent in site investigations and cleanup, per site investigated or remediated	\$2,556	\$2,417	\$3,250	\$2,842	\$3,100	\$2,750
The bureau identifies contaminated sites before the City purchases property, keeping environmental liability to a minimum. Site investigations identify and manage contaminated soil and groundwater in support of CIP projects.						
Business Services						
Effectiveness						
Maintain the bureau's debt service coverage ratio at 1.5 or greater	1.50	1.45	1.45	1.45	1.45	1.45
Efficiency						
Time loss hours (due to injuries)	6.72	4.60	5.40	3.60	5.30	5.30
Calculation based upon N/EH/200K, where N = number of time loss days, EH = total employee hours worked during a calendar year, and 200K = base for 100 full-time equivalent workers.						
Office of the Director						
Workload						
Number of students provided with bureau education programs	20,000	25,000	30,000	26,391	27,000	32,000

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SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	24,629,485	25,349,265	25,739,349	27,409,393	27,401,144
External Materials and Services	15,079,317	12,753,502	19,447,375	18,660,926	18,661,062
Internal Materials and Services	20,498,906	21,824,806	26,525,367	28,897,741	28,931,706
Minor Capital Outlay	1,360,994	952,303	1,967,000	811,000	811,000
Equipment Cash Transfers	0	0	25,000	25,000	25,000
Total Operating Budget	61,568,702	60,879,876	73,704,091	75,804,060	75,829,912
Capital Improvements	80,828,645	69,834,853	87,359,200	93,139,951	93,139,951
TOTAL BUREAU EXPENDITURES	\$ 142,397,347	\$ 130,714,729	\$ 161,063,291	\$ 168,944,011	\$ 168,969,863
Allocated Overhead	2,920,980	2,783,220	1,886,593	2,306,484	2,467,561
Total Cost with Allocated Overhead	145,318,327	133,497,949	162,949,884	171,250,495	171,437,424
RESOURCES					
Sewage System Operating Fund	142,256,056	130,531,771	160,512,217	168,387,825	168,413,677
Environmental Remediation Fund	141,291	182,958	551,074	556,186	556,186
TOTAL RESOURCES	142,397,347	\$ 130,714,729	\$ 161,063,291	\$ 168,944,011	\$ 168,969,863
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
DIVISIONS					
Sanitary Sewer and Stormwater	142,256,056	130,531,771	160,512,217	168,387,825	168,413,677
<i>Positions</i>	442	458	458	456	456
Environmental Remediation Division	141,291	182,958	551,074	556,186	556,186
<i>Positions</i>	0	0	0	0	0
TOTAL DIVISIONS	\$ 142,397,347	\$ 130,714,729	\$ 161,063,291	\$ 168,944,011	\$ 168,969,863
<i>Positions</i>	442	458	458	456	456
<i>General Fund Discretionary Positions</i>	0	0	0	0	0

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
SANITARY SEWER AND STORMWATER					
Engineering Services	83,781,182	74,403,156	91,443,516	97,327,938	96,971,465
<i>Positions</i>	141	157	151	149	146
Engineering Services: Watershed	0	9,091	2,756,407	1,645,570	1,645,706
<i>Positions</i>	0	0	9	9	9
Planning	7,681,365	6,172,436	7,745,299	7,652,071	7,453,331
<i>Positions</i>	45	37	41	41	40
Wastewater Treatment	29,634,780	30,269,769	33,277,174	34,718,977	34,820,646
<i>Positions</i>	143	148	148	148	147
Pollution Prevention Services	4,744,058	4,895,489	4,826,423	5,078,133	5,057,661
<i>Positions</i>	60	62	42	43	43
Pollution Prevention: Lab and Sampling	0	0	2,184,869	2,507,334	2,507,334
<i>Positions</i>	0	0	20	23	23
Business Services	14,958,129	13,359,721	15,488,519	15,596,412	15,711,308
<i>Positions</i>	44	45	35	33	34
Office of the Director	1,456,542	1,422,109	2,790,010	3,861,390	4,246,226
<i>Positions</i>	9	9	12	10	14
TOTAL PROGRAMS	\$ 142,256,056	\$ 130,531,771	\$ 160,512,217	\$ 168,387,825	\$ 168,413,677
<i>Positions</i>	442	458	458	456	456
ENVIRONMENTAL REMEDIATION DIVI-					
Environmental Remediation	141,291	182,958	551,074	556,186	556,186
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 141,291	\$ 182,958	\$ 551,074	\$ 556,186	\$ 556,186
<i>Positions</i>	0	0	0	0	0

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LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	19,026,444	19,607,741	24,220,693	25,242,685	25,251,370
512000 Part-Time Employees	371,574	457,160	1,054,787	1,176,869	1,176,869
514000 Overtime	859,123	878,140	469,731	609,055	1,059,055
515000 Premium Pay	213,844	228,801	223,523	223,430	223,430
517000 Benefits	8,428,476	8,511,740	8,765,830	9,244,380	9,358,215
518000 Paid Absence	3,632,329	3,816,555	0	0	0
Total Personnel Services	32,531,790	33,500,137	34,734,564	36,496,419	37,068,939
Materials and Services					
External Materials and Services					
521000 Professional Services	14,621,507	21,775,458	14,571,896	10,864,613	10,864,613
522000 Utilities	4,728,226	3,403,259	4,070,291	3,948,510	3,948,510
523000 Equipment Rental	36,506	52,322	81,400	33,400	33,400
524000 Repair & Maintenance Services	1,802,126	1,559,620	2,174,677	2,127,296	2,127,296
525000 Non-Capital Improvement	175,349	370,435	981,252	539,000	539,000
528000 Local Match Payments	10,000	0	0	0	0
529000 Miscellaneous Services	4,754,204	4,342,495	6,902,130	6,767,645	6,767,726
531000 Office Supplies	129,904	126,967	145,742	139,187	139,187
532000 Operating Supplies	1,510,354	1,890,329	2,041,879	1,659,579	1,659,634
533000 Repair & Maintenance Supplies	1,045,470	963,366	511,940	575,362	575,062
534000 Minor Equipment & Tools	937,598	647,706	800,228	815,834	812,834
535000 Clothing & Uniforms	23,297	27,591	36,720	33,820	34,120
539000 Other Commodities External	423,222	88,191	14,000	25,000	28,000
541000 Education	260,077	252,341	280,439	289,873	289,873
542000 Local Travel	3,142	3,367	7,280	8,625	8,625
543000 Out-of-Town Travel	102,409	100,969	122,707	122,006	122,006
544000 Space Rental	228,762	200,269	122,540	67,320	67,320
545000 Interest	76,165	0	0	0	0
546000 Refunds	80,936	14,226	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	502,526	1,133,075	2,055,436	1,933,145	1,933,145
Total External Materials and Services	31,451,780	36,951,986	34,920,557	29,950,215	29,950,351
Internal Materials and Services					
551000 Fleet Services	449,370	449,156	450,783	425,623	425,623
552000 Printing & Distribution	542,357	531,245	682,869	639,883	639,883
553000 Facilities Services	2,556,181	1,426,117	1,335,349	1,403,125	1,403,125
554000 Communications Services	784,696	769,251	740,275	749,308	749,308
555000 Data Processing Services	293,354	531,973	1,830,287	1,944,451	1,944,451
556000 Insurance	688,931	724,601	727,489	781,365	781,365
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	2,974,642	3,337,783	3,337,783
559000 Other Fund Services	19,421,297	20,796,439	22,168,583	23,855,236	23,812,842
Total Internal Materials and Services	24,736,186	25,228,782	30,910,277	33,136,774	33,094,380
Total Materials and Services	56,187,966	62,180,768	65,830,834	63,086,989	63,044,731
Capital Outlay					
561000 Land	4,087,656	1,797,095	6,689,755	1,682,000	1,682,000
562000 Buildings	100	0	0	0	0
563000 Improvements	48,056,042	32,300,753	51,682,733	325,000	325,000
564000 Capital Equipment	1,507,072	934,252	2,100,405	811,000	811,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	66,517,603	66,013,193
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	53,650,870	35,032,100	60,472,893	69,335,603	68,831,193
573000 Equipment Cash Transfers	15,186	0	25,000	25,000	25,000
576000 Minor Equipment Transfers	11,535	1,724	0	0	0
TOTAL BUREAU EXPENSES	\$ 142,397,347	\$ 130,714,729	\$ 161,063,291	\$ 168,944,011	\$ 168,969,863

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FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	3	4	4	165,816	3	128,475	3	128,475
515	Accountant II	2	3	3	139,291	3	146,201	3	146,201
531	Accounting Supervisor II	1	1	0	0	0	0	0	0
532	Accounting Supervisor III	0	0	1	69,555	1	71,848	1	75,617
510	Accounting Technician	1	0	0	0	0	0	0	0
819	Administrative Assistant	5	5	5	202,161	5	252,768	5	252,768
926	Administrative Services Manager	2	1	1	73,168	1	75,648	1	75,648
815	Administrative Specialist	2	2	1	32,973	1	35,037	1	35,037
920	Administrative Supervisor I	1	1	1	51,459	1	55,583	1	55,583
922	Administrative Supervisor II	1	1	1	57,429	1	61,575	1	61,575
2534	Applications Analyst IV	0	1	1	63,518	1	58,495	1	58,495
962	Assistant Program Specialist	5	4	4	192,369	4	211,738	4	211,738
1314	Automotive Equipment Operator II	0	1	1	40,747	1	42,094	1	42,094
1313	Automotive Equipment Operator II	1	0	0	0	0	0	0	0
4127	Botanic Manager	0	1	1	62,565	1	60,844	1	60,844
4124	Botanic Specialist II	0	0	3	130,614	3	136,473	3	136,473
4125	Botanic Supervisor	0	1	1	52,146	1	53,876	1	53,876
928	Bureau Administrative Manager	3	3	3	231,192	3	238,785	3	238,785
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
3132	CADD Manager	1	1	1	66,061	1	68,236	1	68,236
3285	Chemist	4	5	5	248,894	5	259,955	5	259,955
932	Chief Bureau Administrative Mgr	0	1	1	89,856	1	92,812	1	92,812
3171	Chief Engineer	1	1	1	89,530	1	92,812	1	92,812
114	Clerical Specialist	7	0	0	0	0	0	0	0
2202	Code Specialist II	0	1	0	0	0	0	0	0
7490	Community Relations Assistant	1	0	0	0	0	0	0	0
7492	Community Relations Specialist	2	5	1	48,589	0	0	0	0
131	Customer Accounts Specialist I	0	1	0	0	0	0	0	0
118	Customer Services Rep	2	0	0	0	0	0	0	0
942	Economist I	1	1	1	55,432	1	59,592	1	59,592
1453	Electrician	9	9	9	488,034	9	504,189	9	504,189
3190	Electronic Systems Specialist	3	2	2	91,817	3	139,880	3	139,880
3164	Engineer	21	22	26	1,723,815	25	1,728,889	25	1,728,889
3153	Engineering Associate	7	6	5	259,744	5	271,835	5	271,835
2032	Environmental Resources Manager	1	1	2	154,128	2	159,190	2	159,190
2018	Environmental Services Director	1	1	1	104,832	1	108,284	1	108,284
2010	Environmental Services Manager	2	1	2	81,120	2	121,145	2	121,145
3194	Environmental Specialist	10	11	13	734,645	14	820,739	14	820,739
3195	Environmental Svcs Supervisor	6	6	6	381,043	6	395,307	6	395,307
1115	Facilities Maintenance Tech	1	0	0	0	0	0	0	0
2210	Field Representative	1	0	0	0	0	0	0	0
1803	Indust Maintenance Millwright	0	28	28	1,232,929	28	1,274,504	28	1,274,504
1520	Industrial Machinist	1	1	1	44,075	1	45,518	1	45,518
1445	Industrial Painter	0	1	1	43,638	1	45,080	1	45,080
2542	Information Systems Analyst II	1	0	1	49,056	1	49,653	1	49,653
2543	Information Systems Analyst III	2	3	0	0	0	0	0	0
2544	Information Systems Analyst IV	1	2	1	67,746	1	69,969	1	69,969
2550	Information Systems Manager	0	1	0	0	0	0	0	0
2546	Information Systems Supervisor	3	3	1	73,424	1	75,836	1	75,836
2522	Information Systems Tech I	1	0	0	0	0	0	0	0
2523	Information Systems Tech II	2	0	0	0	0	0	0	0
2524	Information Systems Tech III	2	3	0	0	0	0	0	0
3260	Instrument Technician	6	7	7	379,582	7	392,147	7	392,147
3261	Instrument Technician, Lead	1	0	0	0	0	0	0	0
812	Intergovernmental Program Coord	1	0	1	64,605	1	66,753	1	66,753
3280	Laboratory Analyst	7	7	6	246,948	8	337,912	8	337,912
2034	Laboratory Manager	1	1	1	64,064	1	75,551	1	75,551
3284	Microbiologist	1	1	1	50,482	1	52,137	1	52,137
2540	MIS Support Technician	1	0	0	0	0	0	0	0
100	Office Support Specialist I	0	1	1	31,096	1	32,113	1	32,113
102	Office Support Specialist II	0	10	9	303,229	9	319,086	9	321,904
104	Office Support Specialist III	0	1	2	73,826	2	80,625	2	80,625
1443	Painter	1	0	0	0	0	0	0	0
3169	Principal Engineer	7	7	9	725,317	7	613,553	7	613,553
832	Principal Financial Analyst	0	1	1	71,642	1	75,648	1	75,648
2545	Principal Info Systems Analyst	4	4	3	200,208	3	212,623	3	212,623
953	Principal Management Analyst	0	1	2	69,555	2	130,396	2	130,396
966	Program Coordinator	4	2	7	381,633	7	387,860	7	382,473
968	Program Manager I	4	5	6	368,201	5	324,996	5	324,996

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.		No.		No.	
970	Program Manager II	5	7	7	451,134	7	471,508	7	471,508
971	Program Manager III	0	0	1	74,547	1	79,595	2	150,273
972	Program Manager IV	1	1	2	144,997	2	171,853	2	171,853
973	Program Manager V	0	1	0	0	0	0	0	0
964	Program Specialist	5	6	4	219,274	4	228,609	4	228,609
960	Program Technician	0	0	1	39,270	1	41,384	1	41,384
3152	Public Works Const/Inspect Supvr	5	5	5	322,432	5	331,188	5	331,188
3150	Public Works Inspector	17	16	16	812,032	16	833,799	16	833,799
3151	Public Works Inspector, Senior	10	11	11	619,752	11	644,710	11	644,710
1952	Public Works Manager	10	9	9	603,705	7	489,641	7	489,641
3359	Public Works Project Manager	7	7	9	518,988	7	504,184	6	442,588
1954	Public Works Superintendent	1	1	1	81,120	1	83,791	1	83,791
1950	Public Works Supervisor	1	0	0	0	0	0	0	0
846	Risk Specialist	1	0	1	49,587	1	49,865	1	49,865
221	Secretarial Clerk II	3	0	0	0	0	0	0	0
816	Senior Administrative Specialist	2	3	3	121,784	3	128,392	3	128,392
3166	Senior Engineer	7	6	6	439,422	8	591,749	8	591,749
3163	Senior Engineering Associate	18	22	21	1,232,129	21	1,297,914	21	1,297,914
2012	Senior Environmental Svcs Mgr	5	3	3	257,993	3	266,523	3	266,523
828	Senior Financial Analyst	4	3	2	141,211	2	136,300	2	136,300
612	Senior Human Resources Analyst	2	1	0	0	0	0	0	0
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
848	Senior Risk Specialist	1	2	2	116,974	2	123,122	2	123,122
414	Senior Stores System Manager	1	1	1	62,816	1	64,895	1	64,895
7494	Sr Community Relation Specialist	2	1	0	0	0	0	0	0
410	Storekeeper	4	0	0	0	0	0	0	0
406	Storekeeper/Acquisition Spec II	0	4	4	164,736	4	170,132	4	170,132
408	Storekeeper/Acquisition Spec III	0	1	1	47,278	1	48,838	1	48,838
409	Storekeeper/Acquisiton Spec Lead	1	0	0	0	0	0	0	0
3167	Supervising Engineer	12	12	9	689,139	10	768,162	10	768,162
3107	Technician I	26	27	27	893,630	26	917,372	26	917,372
3108	Technician II	46	57	59	2,779,827	61	2,959,273	62	2,997,035
3109	Technician III	8	9	9	527,740	9	553,427	9	553,427
1812	Wastewater Mechanic	28	0	0	0	0	0	0	0
1815	Wastewater Operations Specialist	2	3	5	236,705	5	244,505	5	244,505
1810	Wastewater Operator I	1	1	1	38,106	1	39,359	0	0
1811	Wastewater Operator II	45	42	40	1,753,308	40	1,820,720	40	1,820,720
1808	Wastewater Operator, Trainee	0	0	2	57,258	2	67,610	2	67,610
3281	Water Lab Technician Lead	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		442	458	458	\$ 24,220,693	456	\$ 25,242,685	456	\$ 25,251,370

Sanitary Sewer and Stormwater Division

OVERVIEW

The Bureau of Environmental Services' Sanitary Sewer and Stormwater Division provides sanitary sewage collection and treatment services for Portland residents and businesses, as well as five other local governments adjacent to Portland, including the City of Lake Oswego. The bureau also provides stormwater management within the city. The purpose of this division is to provide these services in a manner that complies with all federal and state regulatory requirements, as well as supports Council goals and directives.

The division serves approximately 165,000 sanitary sewer and stormwater customers.

The division serves approximately 152,000 residential and 13,000 commercial or industrial accounts. Services are funded from sewer and drainage charges, wholesale contract revenues, reimbursements for services provided to other bureaus, and capital construction funding sources, including system development charge revenues and proceeds of sewer system revenue bonds.

The Adopted Budget for FY 2002-03 provides funding for a variety of programs and services to protect Portland's surface and groundwater resources. It is guided by the Clean River program resolution adopted by City Council in April 1990, as well as several state and federal regulatory requirements. These include state Environmental Quality Commission orders to eliminate or reduce combined sewer overflows on the Willamette River and Columbia Slough, and to reduce nonpoint source pollution to Fanno Creek.

Overview of Programs

ENGINEERING SERVICES

Overview

The Engineering Services Group is responsible for developing the bureau's CIP, managing implementation of capital projects, managing the CSO program, providing engineering services to all bureau programs, and managing the bureau's Development Services program.

The group includes the divisions of Program Management & Controls, Design Services, Construction Services, Development Services, CSO Program, Westside Willamette CSO, and Administrative Services.

Program Management and Controls develops the bureau's annual capital budget and five-year capital improvement program. The Design Services Division provides project management and engineering design services, and is responsible for ensuring each assigned project accomplishes its intended purpose on schedule, within budget, at best value, and in a manner consistent with the City and bureau mission and values.

Construction Services provides construction management and inspection services for bureau projects and provides materials testing services for both bureau projects and projects managed by other City bureaus. The division also implements the bureau's Watershed Revegetation program. Development Services assists developers and other customers, by reviewing and approving plans and issuing permits.

PLANNING

Planning manages watershed plans and policies

The FY 2002-03 Adopted Budget covers the second full year under the integrated watershed planning principles set forth in the bureau's Clean River Plan (CRP). These principles provide coordination and consistent direction, goals, and priorities for all bureau activities in conjunction with the bureau strategic plan. The Planning Group is responsible for devising watershed restoration plans, policies, and facility planning needed to implement these principles. Planning teams monitor to assess current conditions of watersheds, track improvements, and adjust bureau programs. The group coordinates public involvement activities of the bureau.

Planning is also responsible for coordinating with other bureaus, interest groups and federal, State and local agencies involved in environmental planning that may affect the City. The group helps shape environmental policy and regulations.

Stormwater Management Plan is included within the group's responsibilities

The Planning Group is responsible for the implementation planning of the bureau's stormwater management activities and coordination of the City's overall Stormwater Management Plan, a part of which provides compliance with State permitting.

WASTEWATER TREATMENT

The Wastewater Group protects public health, water quality, and the environment by operating and maintaining sewer, drainage, treatment, and pollution reduction facilities, and managing programs in a manner that ensures compliance with all applicable permits, regulations, and contracts.

Treatment

The Wastewater Group operates two treatment plants with a total capacity of about 108 million gallons per day.

The group operates and maintains two wastewater treatment plants. The Columbia Boulevard Wastewater Treatment Plant has an average dry weather flow (ADWF) design treatment capacity of 100 million gallons of sewage per day. The Tryon Creek Wastewater Treatment Plant, located in Lake Oswego, has an ADWF design capacity of 8.3 million gallons per day.

Collection

The Wastewater Group maintains and operates the sewage and stormwater collection and conveyance system. This system includes 90 pump stations, 2,300 miles of pipeline, 14,460 stormwater sumps and sedimentation manholes, 345 miles of ditches, 55,000 inlets and catch basins, and other sewer, drainage and water quality facilities.

Direct and Interagency Services

About two-thirds of the Wastewater Group's budget is expended for materials and services provided by others.

Approximately one-third of the Wastewater Group's expenditures are for services the staff provide. The other two-thirds are for services, equipment, and or materials provided by other bureaus or private vendors. For example, the Bureau of Maintenance provides maintenance services for the sanitary, combined and stormwater collection, conveyance and treatment systems. The Wastewater Group Collection Division services include cleaning, inspection, 'one-call', GIS/Mapping, stormwater sediment management, vector control, capital repair, and various response to customer inquiries.

POLLUTION PREVENTION SERVICES

The Pollution Prevention Services Group includes four functional divisions: Source Control, Environmental Investigations, Environmental Compliance and Enforcement, and Special Waste.

Source Control

The Source Control Division provides environmental oversight and technical services to industrial and commercial customers to control or eliminate toxic wastewater discharges. The services provided by the division include permitting and enforcement activities, best management plans, education, and alternative discharge control strategies as well as development and support of voluntary partnerships with regional organizations and business associations.

Environmental Investigations

The Environmental Investigations Division provides sampling and monitoring services, analysis and data collection, and management services for the bureau. Services include management of the bureau's hydrological data retrieval and aarm system, which provides remote telemetry sensing of sewer flows, rainfall, and pump station operations throughout the city.

Environmental Compliance and Enforcement

The Environmental Compliance Division manages the bureau's regulatory enforcement process, which includes industrial pretreatment, stormwater, and other environmental regulations under the bureau's authority. The division also ensures, through timely and accurate guidance, bureau compliance with its state and federal regulatory obligations including, but not limited to, permits governing wastewater collection and treatment. The division also includes the Spill Protection and Citizen Response section.

Special Waste The Special Waste Division is responsible for environmental assessment and clean-up of contamination on property in which the bureau has an interest. The division also plans and supervises the remediation of municipal solid waste disposal sites. The primary work of this Division is divided between the Coordinated Site Assessment (CSA) program and preliminary work concerning the Portland Harbor Superfund Clean-Up.

BUSINESS SERVICES

Business Services Group Functions The Business Services Group includes Accounting Services, Financial Planning, Human Resources, Risk Services, Information Systems, Contract Administration, Business Opportunity Programs, and Facilities and Administrative Services.

The Business Service Group develops and recommends bureauwide policies and practices related to all aspects of financial operations and administrative services, including coordination with the Office of Management and Finance.

Accounting Services Accounting Services Division is responsible for all financial transaction processing and reporting for the bureau. This includes payroll, accounts payable, accounts receivable, grants, project tracking, contract tracking, and year-end financial reporting.

Financial Planning Financial Planning is responsible for financial planning and forecasting, wholesale service contract development and administration, debt management, and user fee and system development charge ratemaking. The division develops and recommends policies relating to funding for bureau services and cost recovery methodologies. Division staff also coordinate with the Bureau of Water Works on customer service issues regarding rates and charges, and performs rate and billing calculations for specialized sewer services.

Human Resources Human Resources services are provided through an interagency agreement with OMF Human Resources.

Risk Services Risk Services administers loss control and safety for the bureau and owner controlled insurance programs for the capital program.

Information Services Information Services provide information technology in support of bureau program objectives and includes an interagency agreement with OMF Information Technology (BIT) for a variety of services. The Information Services Division provides bureauwide planning of information requirements and solutions, and with BIT manage the ongoing operations and improvements of the bureau's technology infrastructure and services.

Contract Management Contract Management provides a full range of procurement related services including assistance with solicitation, selection, disputes and protests, and administration of contracts to ensure compliance with the bureau's contracting policy and procedures, City Code, and other applicable laws, regulations, and policies.

Business Opportunity Program The Business Opportunity program has two primary goals: maximize the utilization of minority, women and emerging small businesses (M/W/ESBs) in all bureau contracting opportunities and create a favorable business environment in which these businesses may expand their capacity and capability to become and remain competitive.

**Facilities and
Administrative
Services**

Facilities and Administrative Services coordinates and manages bureauwide administrative services, including clerical support, property management and administration, and management of the interagency agreements for communications, fleet, space acquisition and facilities planning, and printing and distribution. Facilities and Administrative Services coordinates office moves, telecommunications installation and troubleshooting, furniture acquisition, installation, and disposal, fleet acquisition, repair, and disposal, and property maintenance activities.

OFFICE OF THE DIRECTOR

The Office of the Director manages the Bureau of Environmental Services, coordinates activities of the bureau's five operating groups, and ensures timely and appropriate responses to the public, City ratepayers, and regulatory agencies. This coordination includes overseeing development of the bureau budget and managing review of projects and programs offered by the bureau. The Director's Office develops and maintains bureau policies. The bureau director works closely with other City bureaus and government agencies to develop recommendations regarding bureau services and environmental policy for review by the City Council.

The director provides immediate supervision of the bureau's Communications Division. The program manager for the Portland Harbor Superfund clean-up activity also reports to the bureau director.

Sanitary Sewer and Stormwater Division AU 145

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	24,619,656	25,340,855	25,739,349	27,409,393	27,401,144
External Materials and Services	15,075,653	12,747,411	19,447,375	18,620,926	18,621,062
Internal Materials and Services	20,392,354	21,673,086	26,339,293	28,706,555	28,740,520
Minor Capital Outlay	1,360,994	952,303	1,967,000	811,000	811,000
Equipment Cash Transfers	0	0	25,000	25,000	25,000
Total Operating Budget	61,448,657	60,713,655	73,518,017	75,572,874	75,598,726
Capital Improvements	80,807,399	69,818,116	86,994,200	92,814,951	92,814,951
TOTAL BUREAU EXPENDITURES	\$ 142,256,056	\$ 130,531,771	\$ 160,512,217	\$ 168,387,825	\$ 168,413,677
Allocated Overhead	2,912,240	2,775,414	1,883,975	2,303,899	2,464,649
Total Cost with Allocated Overhead	145,168,296	133,307,185	162,396,192	170,691,724	170,878,326
RESOURCES					
Sewage System Operating Fund	142,256,056	130,531,771	160,512,217	168,387,825	168,413,677
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Engineering Services	83,781,182	74,403,156	91,443,516	97,327,938	96,971,465
<i>Positions</i>	141	157	151	149	146
Engineering Services: Watershed	0	9,091	2,756,407	1,645,570	1,645,706
<i>Positions</i>	0	0	9	9	9
Planning	7,681,365	6,172,436	7,745,299	7,652,071	7,453,331
<i>Positions</i>	45	37	41	41	40
Wastewater Treatment	29,634,780	30,269,769	33,277,174	34,718,977	34,820,646
<i>Positions</i>	143	148	148	148	147
Pollution Prevention Services	4,744,058	4,895,489	4,826,423	5,078,133	5,057,661
<i>Positions</i>	60	62	42	43	43
Pollution Prevention: Lab and Sampling	0	0	2,184,869	2,507,334	2,507,334
<i>Positions</i>	0	0	20	23	23
Business Services	14,958,129	13,359,721	15,488,519	15,596,412	15,711,308
<i>Positions</i>	44	45	35	33	34
Office of the Director	1,456,542	1,422,109	2,790,010	3,861,390	4,246,226
<i>Positions</i>	9	9	12	10	14
TOTAL PROGRAMS	\$ 142,256,056	\$ 130,531,771	\$ 160,512,217	\$ 168,387,825	\$ 168,413,677
<i>Positions</i>	442	458	458	456	456

Sanitary Sewer and Stormwater Division AU 145

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	19,017,713	19,600,532	24,220,693	25,242,685	25,251,370
512000 Part-Time Employees	371,574	457,160	1,054,787	1,176,869	1,176,869
514000 Overtime	859,062	878,140	469,731	609,055	1,059,055
515000 Premium Pay	213,844	228,801	223,523	223,430	223,430
517000 Benefits	8,424,814	8,508,872	8,765,830	9,244,380	9,358,215
518000 Paid Absence	3,630,850	3,815,076	0	0	0
Total Personnel Services	32,517,857	33,488,581	34,734,564	36,496,419	37,068,939
Materials and Services					
External Materials and Services					
521000 Professional Services	14,616,475	21,772,237	14,531,896	10,824,613	10,824,613
522000 Utilities	4,728,226	3,403,259	4,070,291	3,948,510	3,948,510
523000 Equipment Rental	36,506	52,322	81,400	33,400	33,400
524000 Repair & Maintenance Services	1,802,126	1,559,620	2,174,677	2,127,296	2,127,296
525000 Non-Capital Improvement	175,349	370,435	981,252	539,000	539,000
528000 Local Match Payments	10,000	0	0	0	0
529000 Miscellaneous Services	4,754,204	4,342,354	6,902,130	6,767,645	6,767,726
531000 Office Supplies	129,904	126,967	145,742	139,187	139,187
532000 Operating Supplies	1,510,354	1,890,329	2,041,879	1,659,579	1,659,634
533000 Repair & Maintenance Supplies	1,045,470	963,366	511,940	575,362	575,062
534000 Minor Equipment & Tools	937,598	647,706	800,228	815,834	812,834
535000 Clothing & Uniforms	23,297	27,591	36,720	33,820	34,120
539000 Other Commodities External	423,222	88,191	14,000	25,000	28,000
541000 Education	260,077	252,341	280,439	289,873	289,873
542000 Local Travel	3,142	3,367	7,280	8,625	8,625
543000 Out-of-Town Travel	102,409	100,969	122,707	122,006	122,006
544000 Space Rental	228,762	200,269	122,540	67,320	67,320
545000 Interest	76,165	0	0	0	0
546000 Refunds	80,936	14,226	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	486,752	1,116,755	2,055,436	1,933,145	1,933,145
Total External Materials and Services	31,430,974	36,932,304	34,880,557	29,910,215	29,910,351
Internal Materials and Services					
551000 Fleet Services	449,370	449,156	450,783	425,623	425,623
552000 Printing & Distribution	542,357	531,245	682,869	639,883	639,883
553000 Facilities Services	2,462,568	1,279,533	1,200,042	1,225,377	1,225,377
554000 Communications Services	784,696	769,251	740,275	749,308	749,308
555000 Data Processing Services	293,354	530,497	1,828,935	1,943,136	1,943,136
556000 Insurance	688,931	724,601	727,489	781,365	781,365
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	2,974,642	3,337,783	3,337,783
559000 Other Fund Services	19,408,358	20,792,779	22,119,168	23,843,113	23,800,719
Total Internal Materials and Services	24,629,634	25,077,062	30,724,203	32,945,588	32,903,194
Total Materials and Services	56,060,608	62,009,366	65,604,760	62,855,803	62,813,545
Capital Outlay					
561000 Land	4,087,656	1,797,095	6,689,755	1,682,000	1,682,000
562000 Buildings	100	0	0	0	0
563000 Improvements	48,056,042	32,300,753	51,357,733	0	0
564000 Capital Equipment	1,507,072	934,252	2,100,405	811,000	811,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	66,517,603	66,013,193
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	53,650,870	35,032,100	60,147,893	69,010,603	68,506,193
573000 Equipment Cash Transfers	15,186	0	25,000	25,000	25,000
576000 Minor Equipment Transfers	11,535	1,724	0	0	0
TOTAL DIVISION EXPENSES	\$ 142,256,056	\$ 130,531,771	\$ 160,512,217	\$ 168,387,825	\$ 168,413,677

Sanitary Sewer and Stormwater Division AU 145

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	3	4	4	165,816	3	128,475	3	128,475
515	Accountant II	2	3	3	139,291	3	146,201	3	146,201
531	Accounting Supervisor II	1	1	0	0	0	0	0	0
532	Accounting Supervisor III	0	0	1	69,555	1	71,848	1	75,617
510	Accounting Technician	1	0	0	0	0	0	0	0
819	Administrative Assistant	5	5	5	202,161	5	252,768	5	252,768
926	Administrative Services Manager	2	1	1	73,168	1	75,648	1	75,648
815	Administrative Specialist	2	2	1	32,973	1	35,037	1	35,037
920	Administrative Supervisor I	1	1	1	51,459	1	55,583	1	55,583
922	Administrative Supervisor II	1	1	1	57,429	1	61,575	1	61,575
2534	Applications Analyst IV	0	1	1	63,518	1	58,495	1	58,495
962	Assistant Program Specialist	5	4	4	192,369	4	211,738	4	211,738
1314	Automotive Equipment Operator II	0	1	1	40,747	1	42,094	1	42,094
1313	Automotive Equipment Operator II	1	0	0	0	0	0	0	0
4127	Botanic Manager	0	1	1	62,565	1	60,844	1	60,844
4124	Botanic Specialist II	0	0	3	130,614	3	136,473	3	136,473
4125	Botanic Supervisor	0	1	1	52,146	1	53,876	1	53,876
928	Bureau Administrative Manager	3	3	3	231,192	3	238,785	3	238,785
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
3132	CADD Manager	1	1	1	66,061	1	68,236	1	68,236
3285	Chemist	4	5	5	248,894	5	259,955	5	259,955
932	Chief Bureau Administrative Mgr	0	1	1	89,856	1	92,812	1	92,812
3171	Chief Engineer	1	1	1	89,530	1	92,812	1	92,812
114	Clerical Specialist	7	0	0	0	0	0	0	0
2202	Code Specialist II	0	1	0	0	0	0	0	0
7490	Community Relations Assistant	1	0	0	0	0	0	0	0
7492	Community Relations Specialist	2	5	1	48,589	0	0	0	0
131	Customer Accounts Specialist I	0	1	0	0	0	0	0	0
118	Customer Services Rep	2	0	0	0	0	0	0	0
942	Economist I	1	1	1	55,432	1	59,592	1	59,592
1453	Electrician	9	9	9	488,034	9	504,189	9	504,189
3190	Electronic Systems Specialist	3	2	2	91,817	3	139,880	3	139,880
3164	Engineer	21	22	26	1,723,815	25	1,728,889	25	1,728,889
3153	Engineering Associate	7	6	5	259,744	5	271,835	5	271,835
2032	Environmental Resources Manager	1	1	2	154,128	2	159,190	2	159,190
2018	Environmental Services Director	1	1	1	104,832	1	108,284	1	108,284
2010	Environmental Services Manager	2	1	2	81,120	2	121,145	2	121,145
3194	Environmental Specialist	10	11	13	734,645	14	820,739	14	820,739
3195	Environmental Svcs Supervisor	6	6	6	381,043	6	395,307	6	395,307
1115	Facilities Maintenance Tech	1	0	0	0	0	0	0	0
2210	Field Representative	1	0	0	0	0	0	0	0
1803	Indust Maintenance Millwright	0	28	28	1,232,929	28	1,274,504	28	1,274,504
1520	Industrial Machinist	1	1	1	44,075	1	45,518	1	45,518
1445	Industrial Painter	0	1	1	43,638	1	45,080	1	45,080
2542	Information Systems Analyst II	1	0	1	49,056	1	49,653	1	49,653
2543	Information Systems Analyst III	2	3	0	0	0	0	0	0
2544	Information Systems Analyst IV	1	2	1	67,746	1	69,969	1	69,969
2550	Information Systems Manager	0	1	0	0	0	0	0	0
2546	Information Systems Supervisor	3	3	1	73,424	1	75,836	1	75,836
2522	Information Systems Tech I	1	0	0	0	0	0	0	0
2523	Information Systems Tech II	2	0	0	0	0	0	0	0
2524	Information Systems Tech III	2	3	0	0	0	0	0	0
3260	Instrument Technician	6	7	7	379,582	7	392,147	7	392,147
3261	Instrument Technician, Lead	1	0	0	0	0	0	0	0
812	Intergovernmental Program Coord	1	0	1	64,605	1	66,753	1	66,753
3280	Laboratory Analyst	7	7	6	246,948	8	337,912	8	337,912
2034	Laboratory Manager	1	1	1	64,064	1	75,551	1	75,551
3284	Microbiologist	1	1	1	50,482	1	52,137	1	52,137
2540	MIS Support Technician	1	0	0	0	0	0	0	0
100	Office Support Specialist I	0	1	1	31,096	1	32,113	1	32,113
102	Office Support Specialist II	0	10	9	303,229	9	319,086	9	321,904
104	Office Support Specialist III	0	1	2	73,826	2	80,625	2	80,625
1443	Painter	1	0	0	0	0	0	0	0
3169	Principal Engineer	7	7	9	725,317	7	613,553	7	613,553
832	Principal Financial Analyst	0	1	1	71,642	1	75,648	1	75,648
2545	Principal Info Systems Analyst	4	4	3	200,208	3	212,623	3	212,623
953	Principal Management Analyst	0	1	2	69,555	2	130,396	2	130,396
966	Program Coordinator	4	2	7	381,633	7	387,860	7	382,473
968	Program Manager I	4	5	6	368,201	5	324,996	5	324,996

Sanitary Sewer and Stormwater Division AU 145

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02		FY 2002-03		FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
970	Program Manager II	5	7	7	451,134	7	471,508	7	471,508
971	Program Manager III	0	0	1	74,547	1	79,595	2	150,273
972	Program Manager IV	1	1	2	144,997	2	171,853	2	171,853
973	Program Manager V	0	1	0	0	0	0	0	0
964	Program Specialist	5	6	4	219,274	4	228,609	4	228,609
960	Program Technician	0	0	1	39,270	1	41,384	1	41,384
3152	Public Works Const/Inspect Supvr	5	5	5	322,432	5	331,188	5	331,188
3150	Public Works Inspector	17	16	16	812,032	16	833,799	16	833,799
3151	Public Works Inspector, Senior	10	11	11	619,752	11	644,710	11	644,710
1952	Public Works Manager	10	9	9	603,705	7	489,641	7	489,641
3359	Public Works Project Manager	7	7	9	518,988	7	504,184	6	442,588
1954	Public Works Superintendent	1	1	1	81,120	1	83,791	1	83,791
1950	Public Works Supervisor	1	0	0	0	0	0	0	0
846	Risk Specialist	1	0	1	49,587	1	49,865	1	49,865
221	Secretarial Clerk II	3	0	0	0	0	0	0	0
816	Senior Administrative Specialist	2	3	3	121,784	3	128,392	3	128,392
3166	Senior Engineer	7	6	6	439,422	8	591,749	8	591,749
3163	Senior Engineering Associate	18	22	21	1,232,129	21	1,297,914	21	1,297,914
2012	Senior Environmental Svcs Mgr	5	3	3	257,993	3	266,523	3	266,523
828	Senior Financial Analyst	4	3	2	141,211	2	136,300	2	136,300
612	Senior Human Resources Analyst	2	1	0	0	0	0	0	0
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
848	Senior Risk Specialist	1	2	2	116,974	2	123,122	2	123,122
414	Senior Stores System Manager	1	1	1	62,816	1	64,895	1	64,895
7494	Sr Community Relation Specialist	2	1	0	0	0	0	0	0
410	Storekeeper	4	0	0	0	0	0	0	0
406	Storekeeper/Acquisition Spec II	0	4	4	164,736	4	170,132	4	170,132
408	Storekeeper/Acquisition Spec III	0	1	1	47,278	1	48,838	1	48,838
409	Storekeeper/Acquisition Spec Lead	1	0	0	0	0	0	0	0
3167	Supervising Engineer	12	12	9	689,139	10	768,162	10	768,162
3107	Technician I	26	27	27	893,630	26	917,372	26	917,372
3108	Technician II	46	57	59	2,779,827	61	2,959,273	62	2,997,035
3109	Technician III	8	9	9	527,740	9	553,427	9	553,427
1812	Wastewater Mechanic	28	0	0	0	0	0	0	0
1815	Wastewater Operations Specialist	2	3	5	236,705	5	244,505	5	244,505
1810	Wastewater Operator I	1	1	1	38,106	1	39,359	0	0
1811	Wastewater Operator II	45	42	40	1,753,308	40	1,820,720	40	1,820,720
1808	Wastewater Operator, Trainee	0	0	2	57,258	2	67,610	2	67,610
3281	Water Lab Technician Lead	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		442	458	458	\$ 24,220,693	456	\$ 25,242,685	456	\$ 25,251,370

Sanitary Sewer and Stormwater Division AU 145

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	168,717,243	0	168,717,243	456.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(232,500)	0	(232,500)	0.0	AU 145 Operating Budget
	31,145	0	31,145	0.0	BFP recomm. reductions to Ext. M&S
	9,989	0	9,989	0.0	BIT Increase
	(41,433)	0	(41,433)	0.0	City Attorney I/A Increase
	6,645	0	6,645	0.0	ComNet reduction
	(7,693)	0	(7,693)	0.0	Facilities increase
	3,872	0	3,872	0.0	Fleet reduction
	(92,722)	0	(92,722)	0.0	Increase I/A to AU 246
	(1,853)	0	(1,853)	0.0	OMF IA reductions
	9,195	0	9,195	0.0	OPDR I/A reduction
	3,700	0	3,700	0.0	Parking Facilities Increase
	17,991	0	17,991	0.0	Parks I/A increase
	(59,859)	0	(59,859)	0.0	Planning increase for ESA
	(13,306)	0	(13,306)	0.0	P&D reduction
	(5,325)	0	(5,325)	0.0	Risk Mgmt. Reductions
	(51,000)	0	(51,000)	0.0	Transportation reduction
	(15,500)	0	(15,500)	0.0	BFP recomm. reductions to capital
					Other capital reductions
	75,000	0	75,000	0.0	AU 246 Budget
	17,114	0	17,114	0.0	Ext. M&S from NOAA grant
	17,122	0	17,122	0.0	Ext. M&S from local cost sharing
	31,315	0	31,315	0.0	Ext. M&S from increased PDOT I/A
	1,789	0	1,789	0.0	Ext. M&S adjustment for I/A decreases
	(42,768)	0	(42,768)	0.0	ComNet increase
	8,181	0	8,181	0.0	Facilities reduction
	4,600	0	4,600	0.0	Fleet increase
	(3,117)	0	(3,117)	0.0	Parks I/A increase
					P&D reduction
	26,389	0	26,389	0.0	AU 145 CIP Budget
	(35,446)	0	(35,446)	0.0	Comm. Pub. Affairs I/A increase
	687,314	0	687,314	0.0	ComNet reduction
	10,700	0	10,700	0.0	Correct I/A to AU 246
	15,443	0	15,443	0.0	Facilities increase
	9,000	0	9,000	0.0	Fleet increase
	45,000	0	45,000	0.0	Parking Facilities increase
	12,274	0	12,274	0.0	Parks I/A increase
	65,062	0	65,062	0.0	P&D Increase
	30,000	0	30,000	0.0	PDOT I/A increase
	(865,736)	0	(865,736)	0.0	Water I/A increase
					Capital outlay to balance I/A increases
Approved Budget Additions and Reductions	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	(8,249)	0	(8,249)	0.0	AU 145 Operating Budget
	33,965	0	33,965	0.0	Personal Services' adjustments
					COPPEEA development fund
	136	0	136	0.0	AU 246 Operating Budget
					AU 246 - Reveg srvc for Fire Bureau
	14,433	0	14,433	0.0	AU 145 CIP Budget
	450,000	0	450,000	0.0	Full-time cost adjustments
	116,336	0	116,336	0.0	CIP Overtime budget
					CIP benefits' adjustments

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
	(76,359)	0	(76,359)	0.0	Reduction of ONI services to CIP
	(504,410)	0	(504,410)	0.0	Capital offset to other CIP adjustments
	(303,566)	0	(303,566)	0.0	Total FY 2002-03 Decision Packages
			\$ 168,413,677	456.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted

Environmental Remediation Division

OVERVIEW

The Environmental Remediation Division provides for remediation of former solid waste disposal sites for which the City is liable under law. Currently this division is responsible for two sites as authorized by the City Council.

Overview of Programs

ENVIRONMENTAL REMEDIATION

This program is narrow in scope, limited to remediation efforts of City-owned property that currently or formerly was used as a municipal waste site.

Specific activities include research and determination of contaminants, remediation plan design/construction, and ongoing monitoring. Work normally is conducted with oversight provided by the Oregon Department of Environmental Quality.

Environmental Remediation Division AU 150

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	9,829	8,410	0	0	0
External Materials and Services	3,664	6,091	0	40,000	40,000
Internal Materials and Services	106,552	151,720	186,074	191,186	191,186
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	120,045	166,221	186,074	231,186	231,186
Capital Improvements	21,246	16,737	365,000	325,000	325,000
TOTAL BUREAU EXPENDITURES	\$ 141,291	\$ 182,958	\$ 551,074	\$ 556,186	\$ 556,186
Allocated Overhead	8,740	7,806	2,618	2,585	2,912
Total Cost with Allocated Overhead	150,031	190,764	553,692	558,771	559,098
RESOURCES					
Environmental Remediation Fund	141,291	182,958	551,074	556,186	556,186
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Environmental Remediation	141,291	182,958	551,074	556,186	556,186
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 141,291	\$ 182,958	\$ 551,074	\$ 556,186	\$ 556,186
<i>Positions</i>	0	0	0	0	0

Environmental Remediation Division AU 150

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	8,731	7,209	0	0	0
514000 Overtime	61	0	0	0	0
517000 Benefits	3,662	2,868	0	0	0
518000 Paid Absence	1,479	1,479	0	0	0
Total Personnel Services	13,933	11,556	0	0	0
Materials and Services					
External Materials and Services					
521000 Professional Services	5,032	3,221	40,000	40,000	40,000
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	0	141	0	0	0
531000 Office Supplies	0	0	0	0	0
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	0	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	0	0	0	0	0
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	0	0	0	0	0
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	15,774	16,320	0	0	0
Total External Materials and Services	20,806	19,682	40,000	40,000	40,000
Internal Materials and Services					
551000 Fleet Services	0	0	0	0	0
552000 Printing & Distribution	0	0	0	0	0
553000 Facilities Services	93,613	146,584	135,307	177,748	177,748
554000 Communications Services	0	0	0	0	0
555000 Data Processing Services	0	1,476	1,352	1,315	1,315
556000 Insurance	0	0	0	0	0
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	12,939	3,660	49,415	12,123	12,123
Total Internal Materials and Services	106,552	151,720	186,074	191,186	191,186
Total Materials and Services	127,358	171,402	226,074	231,186	231,186
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	325,000	325,000	325,000
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	325,000	325,000	325,000
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 141,291	\$ 182,958	\$ 551,074	\$ 556,186	\$ 556,186

Environmental Remediation Division AU 150

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
TOTAL FULL-TIME POSITIONS		0	0	0	\$ 0	0	\$ 0	0	\$ 0

Environmental Remediation Division AU 150

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	505,759	0	505,759	0.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(78)	0	(78)	0.0	BIT reduction
	38,382	0	38,382	0.0	Facilities increase
	12,123	0	12,123	0.0	I/A increase to AU 246
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	50,427	0	50,427	0.0	Total FY 2002-03 Decision Packages
			\$ 556,186	0.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted



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Bureau of Water Works

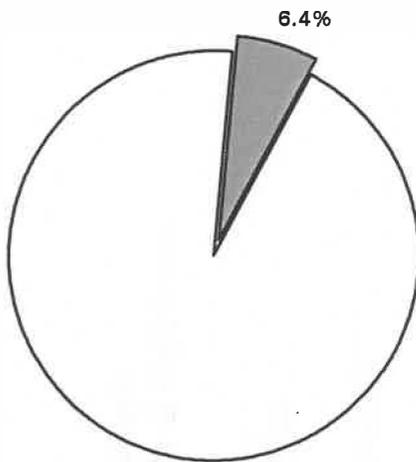
Public Utilities Service Area

Dan Saltzman, Commissioner-in-Charge

Mort Anoushiravani, Administrator

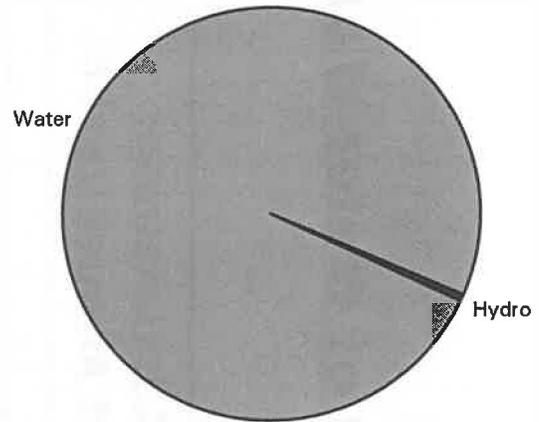
Percent of City Budget

Water = \$89.7 Million



City Budget = \$1.4 Billion

Bureau Divisions

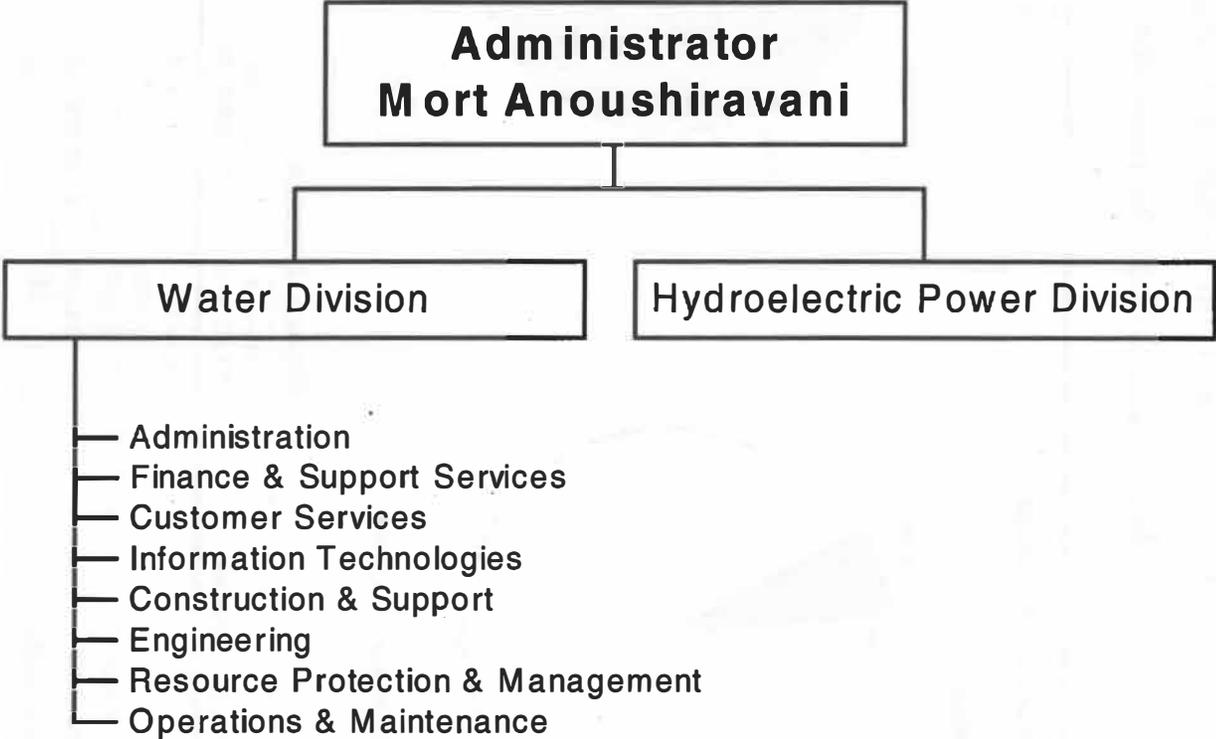


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	53,483,957	53,661,732	177,775	-5.1%
Capital	26,024,000	35,998,700	9,974,700	30.8%
Allocated Overhead Costs	1,962,427	1,616,313	-346,114	-22.1%
Total Cost with Allocated Overhead	\$ 81,470,384	\$ 91,276,745	\$ 9,806,361	5.9%
Authorized Full-Time Positions	531	514	-17	-8.5%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau of Water Works



Bureau Summary

BUREAU MISSION

The Water Bureau's mission is to act as stewards of our resource, our water system, and our personnel in a manner consistent with the values of the community.

VISION AND VALUES

The following values guide our efforts to fulfill our mission and define our concept of "stewardship":

Service: contributing to the welfare of the community.

Solvency: maintaining fiscal integrity.

Equity: ensuring fair treatment to all.

Leadership: focusing on goals and results.

Effectiveness: making the most appropriate use of resources and infrastructure.

Nurturance: maintaining an environment which promotes health and human development.

Communications: sharing information and knowledge openly.

Responsiveness: reacting positively, cooperatively, and efficiently.

Flexibility: adapting to new, different, or changing requirements.

Innovation: recognizing change as a normal state and implementing change imaginatively and creatively.

BUREAU OVERVIEW

For budgetary purposes, the bureau contains two divisions: Water and Hydroelectric Power.

Water Division

The Bureau of Water Works is responsible for construction, maintenance, and operation of the municipal water system. The bureau ensures the water system can provide a sufficient quantity of high quality water to satisfy the existing and future needs of the community.

*The Water Bureau serves
875,000 people*

Approximately 875,000 people (more than one-quarter of the state's population) are served by the Water Division on either a retail or wholesale basis. The division's 161,700 retail customers consume about 60 percent of the water produced. The other 40 percent is provided on a wholesale contract basis to 19 water purveyors, which include cities, water districts, private water companies and a people's utility district. Water sales revenue is composed of 80 percent from retail customers and 20 percent from wholesale contracts.

FY 2002-03 Adopted Budget

The Water Division's FY 2002-03 Adopted Budget is \$89,118,882 comprised of the operating budget of \$47,658,582 and the Capital Improvement Program (CIP) budget of \$41,460,300. The budget includes two new service levels: Security for \$9,140,000 and Utility Relocations for \$2,500,000.

17 full-time positions have been eliminated

The budget includes 511 full-time positions, a reduction of 17 positions from the FY 2001-02 budget. Included in the count of 511 positions are ten apprentice positions authorized but not funded in FY 2002-03. Also, there are 12 limited-term positions that are planned to be eliminated by year-end.

Hydroelectric Power Division

The Portland Hydroelectric Project, has a combined power generation capacity of 36 megawatts

The Hydroelectric Power Division manages the ongoing operation of the City's Portland Hydroelectric Project. This project is located 25 miles east of Portland in the Bull Run Watershed. Most of the revenues supporting this division come from sales of power generated at the Portland Hydroelectric Project. Most of the division's expenses also relate directly to the administration and monitoring of that project. In addition to the Portland Hydroelectric Project work, the division also provides regulatory support for the Water Bureau's two other small hydroelectric power projects.

FY 2002-03 Adopted Budget

The Hydroelectric Power Division's FY 2002-03 Adopted Budget is \$541,550. This budget supports the current service level with a staff of three full-time positions. In FY2002-03, this division will transfer \$200,000 from the Hydropower Operating Fund to the General Fund to be used for other City needs.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Water Division

Major Events

The Water Division continues to deal with improving the functionality and performance of its new billing system, which was implemented in February 2000. The bureau has been working with the system vendor, the Office of Management and Finance, and the Bureau of Environmental Services to address system problems, financial impacts, and customer service issues resulting from system billing and accounting problems. Most of these issues are anticipated to be resolved in FY 2002-03, but some could extend into subsequent years.

Following the events of September 11, 2001, the Water Division immediately established a contract with a local security service contractor to provide 24 hours per day / seven days per week armed guard patrols of the open reservoirs. In the future, the guards will be used for intrusion alarm response as needed.

Strategic Plan

A business plan is currently being developed.

The bureau has developed a strategic plan and is currently developing a related business plan with extensive involvement of division personnel. The strategic plan is a broad, general description of the bureau's vision and goals. The business plan will be more detailed, with milestones, indicators and incorporating various activities across the bureau that impact each other. Both plans will align with budget proposals.

Division Website

Additional information and updates on current issues can be found at the Water Bureau's website: WWW.WATER.CI.PORTLAND.OR.US

SUMMARY OF BUDGET DECISIONS

Water Division

The Water Division's budget is \$89,118,882, comprised of the operating budget of \$47,658,582 and the Capital Improvement Program (CIP) budget of \$41,460,300.

Water Operating Budget: The budget of \$47,658,582 is a reduction of about \$5.1 million from the FY 2001-02 Revised Budget of \$52,770,663. Major reasons for this net reduction are:

- ◆ Reduction of 27 full-time positions totalling approximately \$1.9 million.
- ◆ Elimination of funding for 10 full-time positions totalling approximately \$500,000.
- ◆ Decrease of about \$5.5 million for the base capital program which moved from the operating budget to the CIP budget.
- ◆ Increase of about \$850,000 to cover electricity rate increases.
- ◆ Increase of about \$900,000 for the FY 2001-02 cost of living adjustment.
- ◆ Increase of \$700,000 for the Security program. This new service level includes seven full-time positions that will provide staffing to protect bureau sites.

Two service level packages have been approved

Water CIP Budget: The budget of \$41,460,300 reflects an increase of about \$15.4 million from the FY 2001-02 Revised Budget of \$26,024,000. This increase is primarily a result of transferring about \$5.5 million of base capital (services, hydrants, meters, and equipment) costs from the operating budget to the CIP budget and the new service level packages of \$10,940,000.

The new service level packages include:

- ◆ A Security package for \$8,440,000 in FY 2002-03 (total of \$67,440,000 over a five-year period). This package will provide for heightened security at over 80 of the Bureau's critical facilities and sites.
- ◆ A Utility Relocation package for \$2.5 million in FY 2002-03. The purpose of this package is to provide on-going funding for relocation work required in conjunction with City infrastructure work. Funding is included at this level in the CIP's 10-year planning horizon.

The bureau's 10-year Capital Improvement Plan was recently published. This plan includes the philosophy of the capital program, summaries of each year's costs, a financing plan, and a detailed description of each project.

Staffing: The budget includes funding for 511 full-time positions, which is a reduction of 17 positions from the FY 2001-02 budget. This reduction is the net of two actions: the elimination of 27 positions, and the addition of 10 positions approved for the new security package.

In addition to the reduction of positions, funding was eliminated for 10 positions included in the full-time position count. The positions are being held in the budget but due to the sequence of hiring, will not be needed in FY 2002-03. The position reductions were taken to help address the division's goal of reducing operation and maintenance costs by 15% to 30% over a five-year period ending in FY 2004-05.

Also, there are 12 limited term positions that are set to be eliminated by year-end.

Rate Increase

The estimated FY 2002-03 average effective retail water rate increase is 8.8 percent. This is comprised of 5.5 percent for the current service level and 3.3 percent to fund the Security and Utility Relocation service level add packages.

Hydroelectric Power Division

The Hydroelectric Power Division had one decision package approved in FY 2001-02, for \$190,000, which was to fund a necessary overhaul of the generator in the Portland Hydroelectric Project's Powerhouse No.1. The FY 2002-03 Adopted Budget has not identified any other repair projects that will require additional funding at this time.

FUNDING SOURCES

Water Division

The major funding source for the Water Division is through customer rates which generate about \$69.4 million. Of this, \$50.9 million is from inside city commodity rates, \$15.1 million from outside city wholesale commodity rates, \$2.9 million from customer service charges, and \$0.5 million from customer late charges. Other major forms of revenue include charges for new services and mains (\$2.0 million), sewer billing and collection services for the Bureau of Environmental Services (\$6.5 million), and miscellaneous revenues (\$1.6 million).

Water Rates

Average effective retail rates will increase 8.8%.

The FY 2002-03 average effective rate increase for inside-city retail customers is 8.8 percent which includes new program requests for Security and Utility Relocations. The typical residential customer water bill is estimated at \$14.60 per month (for 800 cubic feet), an increase of \$1.17 per month. This increase includes \$0.62 to fund the utility relocations and security add packages.

A fixed low-income discount program is available to qualified single family residential customers. This amount is 30 percent of a typical low income bill, or \$34.80 per year in FY 2002-03. An expanded low-income utility bill assistance program for low-income housing provided by non-profit housing agencies totals about \$265,000. This program will be implemented after CIS has been stabilized.

Portland's monthly bill continues to remain among the lowest in the region.

Financial Plan

The Water Division's annual financial plan includes discussion on financial issues facing the division. This plan includes background on rates, the capital plan, operations and maintenance costs, and major issues that will be addressed by the division.

Hydroelectric Power Division

The Hydroelectric Power Division remains in a stable funding position with the bulk of its expenses paid for by revenues from a long-term power sales agreement with Portland General Electric Company.

Strategic Direction

SIGNIFICANT ISSUES

Water Division

The Water Division will address the following major issues during FY 2002-03:

Customer Information and Billing System

Work by staff and consultants to have a stable and functional customer information and billing system that properly performs essential billing and related tasks.

Operations and Maintenance Cost Reduction

Continue progress toward achieving a 15% to 30% reduction in operations and maintenance costs for the entire division within five years.

Regionalization

Work with public wholesale agencies to explore options for a new regional water entity.

Utility Relocation Reimbursement

Implement a new methodology on how utility line relocation costs will be allocated to the Water Bureau, Bureau of Environmental Services, and Portland Office of Transportation.

Security

Implement the security actions related to the operations and capital components of the new FY 2002-03 service level packages.

Wellfield Litigation

Resolve the wellfield contamination lawsuit.

Business Planning

Adopt and implement the division's strategic plan and related business plan.

Conservation Plan

Develop a retail service area conservation plan which will support future decisions on resources, infrastructure, conservation rates, and related customer services issues.

Regional Water Supply Plan

Prepare a revised regional water supply plan for consideration and adoption by the 24 members of the Regional Water Providers Consortium in 2003.

Groundwater Protection Program

Further reduce the risk to groundwater from land use activities and future development.

Bull Run Management Roles and Responsibilities

Reach agreement on long-term stewardship of the Bull Run watershed, roles and responsibilities of the City and the Forest Service.

Hydroelectric Power Division

Funding will provide for 320,000 salmon and steelhead smolts.

As one of the provisions in the Portland Hydroelectric Project's power sales agreement with Portland General Electric Company, \$150,000 in direct payments will be provided to the Oregon Department of Fish and Wildlife for the project's off-site environmental mitigation requirement. This money will be used to raise approximately 320,000 salmon and steelhead smolts for release into the Sandy River system.

MAJOR INITIATIVES

Water Initiatives

The following initiatives will be pursued by the division during FY 2002-03:

- ◆ Resolution #35994, passed by City Council on April 25, 2001, endorsed the development of a regional water entity. The Water Division and commissioner-in-charge are directed to work with metropolitan area elected officials and water agencies to study the interest in and feasibility of creating such an entity. The division is reporting progress to Council on a continuing basis.
- ◆ A citizen panel has been appointed to review Bull Run water treatment options. This panel will provide a recommendation for treatment technology and a site to best meet the community's needs for a safe and reliable water supply. The recommendation is planned to be presented to the commissioner-in-charge in June and to City Council in the Fall of 2002.
- ◆ The division is developing Endangered Species Act (ESA) and Clean Water Act Compliance (CWA) regulatory compliance plans for activities in the Bull Run / Sandy watershed.
- ◆ Implement decisions related to funding of the Security service package approved by City Council.
- ◆ Implement decisions related to funding of the Utility Relocations service package approved by City Council.

MANAGEMENT GOALS & OBJECTIVES

Water Division Goal

The Water Division's operating goal is to ensure a reliable and adequate system is available to provide sufficient quantities of high quality water at standard pressures that satisfy the existing and future needs of the community on an equitable, efficient, and self-sustaining basis.

Water Division Objectives for FY 2002-03

The Water Division has recently adopted a strategic plan and related business plan. This review has resulted in the following critical business issues that will be addressed during FY 2002-03:

- ◆ How to attract, develop and retain the right people at the right time for the right work, given workforce turnover, new regulations, changing technology, shifting workloads, and demands for competitiveness.
- ◆ How to operate on a contractual basis across division functions to establish a framework for performance accountability at all levels.

- ◆ How to build and maintain customer trust and confidence by improving service quality at all customer interface opportunities.
- ◆ How to generate economies and efficiencies in the 15 to 30% range over five years to ensure we can demonstrate competitiveness at comparable levels of service with alternative providers, and generate funding for capital improvements.

Hydroelectric Power Division Objectives for FY 2002-03

The Hydroelectric Power Division will pursue the following objectives to provide ongoing operation of the City's Portland Hydroelectric Project.

- ◆ Take all appropriate measures needed to safeguard the City's investment in the \$50 million Portland Hydroelectric Project and comply with the terms of that project's power sales agreement and revenue bond trust indentures.
- ◆ Provide all Federal and State license and permit-issuing agencies with required documentation and meet all license / permit requirements within the timelines established by those agencies.
- ◆ Coordinate closely with Portland General Electric Company in an effort to maximize the Portland Hydroelectric Project's power generation while making sure that the limitations of all licenses, permits, and water quality requirements are observed.
- ◆ Provide the maximum revenue to the City's General Fund.

COUNCIL PRIORITIES

Council Issues and Priorities

The division's budget addresses 11 Council goals and strategies.

At the City Council's 1999 retreat, Council identified several goals and strategies. The Water Division's budget addresses the following goals and strategies:

- ◆ Ensure decent, affordable housing.
- ◆ Build a livable city through good planning and well-managed growth.
- ◆ Promote economic vitality and access to quality jobs for all.
- ◆ Maintain a financially stable city.
- ◆ Ensure a safe and peaceful community.
- ◆ Maintain and improve our parks, green spaces, water, and air sheds.
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in city activities and services.
- ◆ Keep the central city vital.
- ◆ Build a multi-modal transportation system.
- ◆ Grow as an international city.
- ◆ Become a more effective partner in the region.

Future Focus

The Water Division is a participant in implementing the Future Focus' Managing Growth Action Plan. The division has implemented a water conservation program and is considering options to enhance the program in the future.

Portland/Multnomah Benchmarks

Lead Role

The Water Division assumes the lead role in the following benchmark:

Annual water usage per capita broken down by industrial, residential, and commercial categories.

The division requires community partnerships with its wholesale customers; the Regional Water Consortium; commercial, institutional, and industrial customers; and energy (gas and electricity) utilities.

Data Collection Role

The division assumes a data collection role in meeting the following benchmarks:

Percentage of employer payroll dedicated to training and education.

Real per capita capital outlays for public infrastructure.

Percentage of homeowners and renters below median income spending less than 30 percent of their household income on housing.

Percentage of citizens who feel government is doing a good job at providing services.

Percentage of citizen volunteers in a government capacity who are satisfied that their recommendations were carefully and respectfully considered.

Percentages of government organizations that adopt benchmarks, incorporate them into budget and/or planning processes, and collect supporting data.

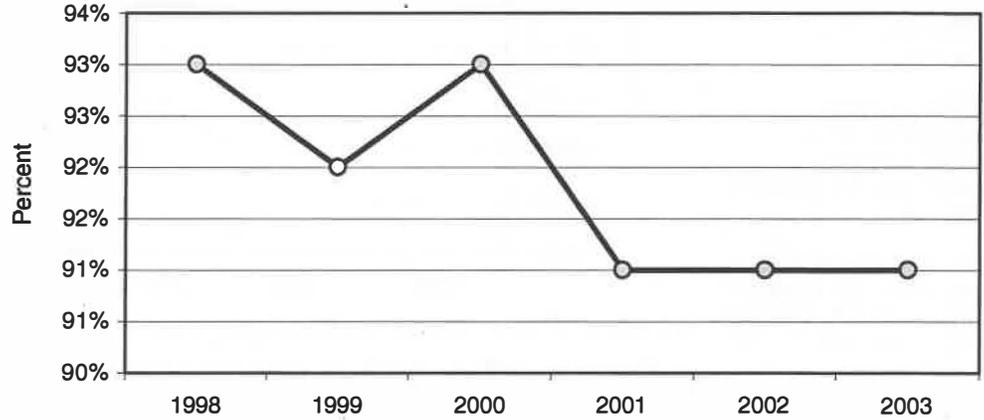
General obligation bond rating.

Per capita dollars spent for city and county government.

Performance Measures

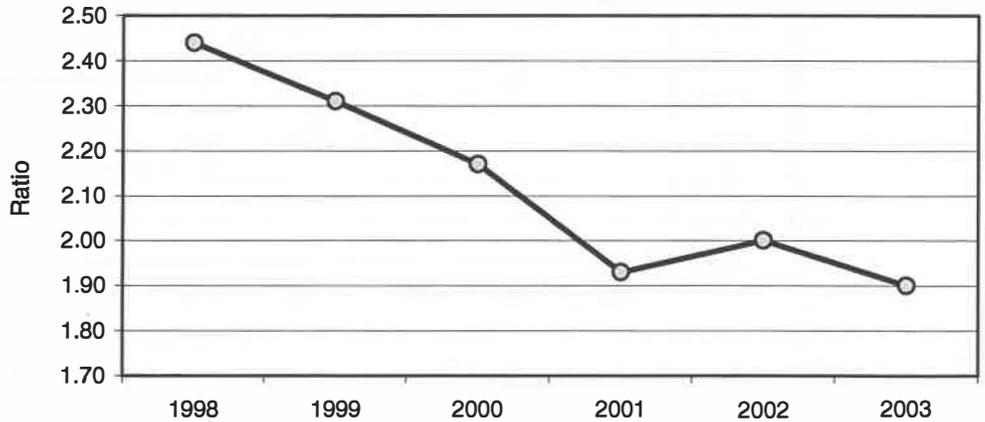
Customer Water Service Rating

- ◆ The percentage in 1998, 1999, and 2000 was consistently at the 92% to 93% range. Projected percentage for 2001 is 91%.
- ◆ The bureau anticipates a consistent rate of 92% in future years.
- ◆ Figures are derived from the City Auditor's annual S.E.A. Report.



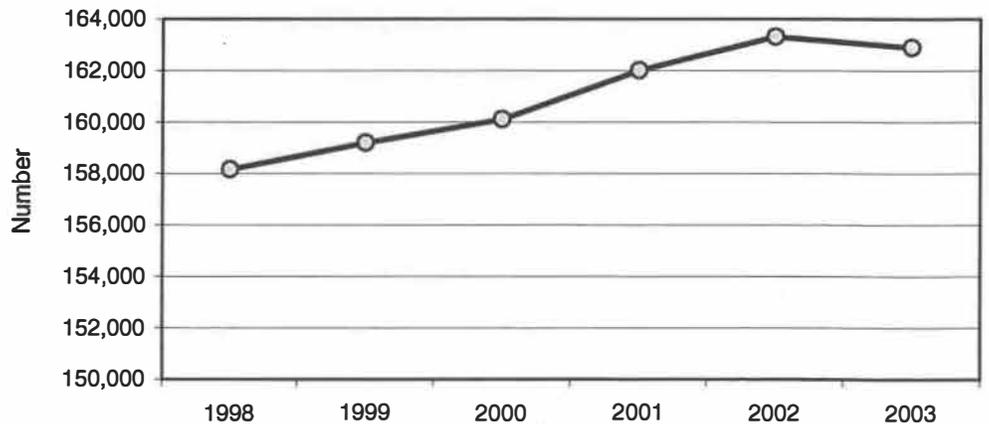
Debt Coverage Ratio

- ◆ Historical Debt Coverage performance has been better than the plan of 1.9. This is due to expenditure savings and higher than anticipated revenue.
- ◆ Forecast coverage is targeted at 1.90 in FY 2003.



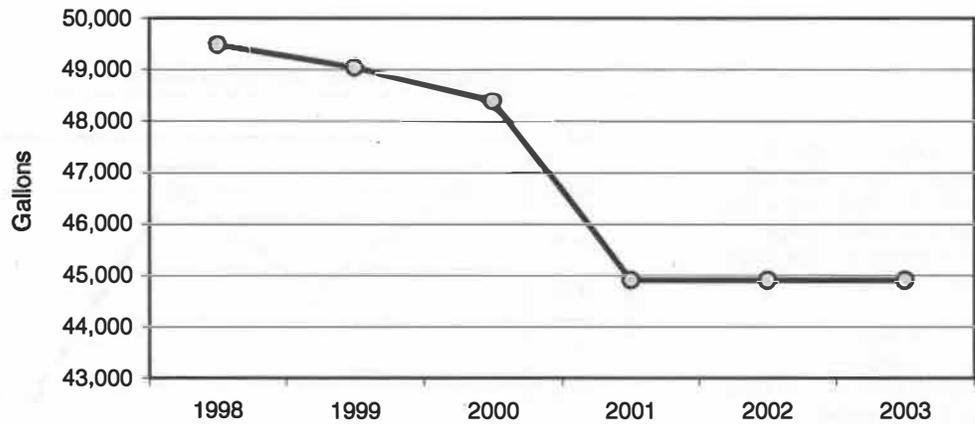
Number of active accounts

- ◆ The number of accounts has increased from 159,177 in 1999 to 163,300 in 2002 and is projected to be 162,900 in 2003. This represents an average annual increase of 0.5% over the four year period.
- ◆ Future years are projected to increase at a rate of about 0.7% per year.

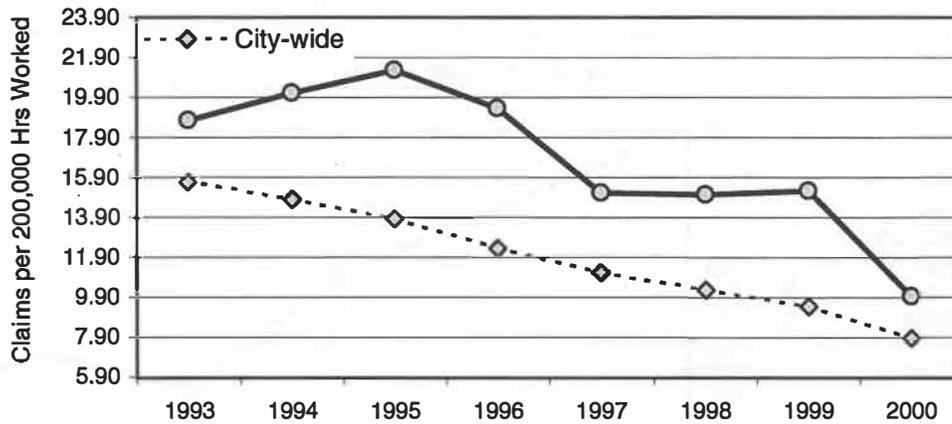


Annual per capita water usage

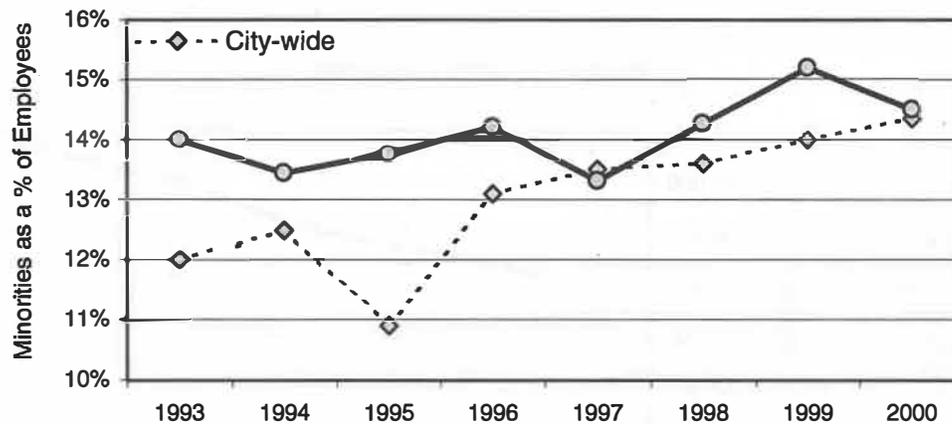
- ◆ Per capita water consumption went down from 49,477 gallons in 1998 to 48,386 in 2000 - an average annual reduction of 1.1 percent.
- ◆ Future year's consumption is anticipated to decrease 0.7 percent per year.
- ◆ Figures are derived from the City Auditor's annual S.E.A. Report.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF WATER WORKS						
Affirmative Action Measures						
Affirmative Action - Minority	13.7%	14.2%	14.5%	14.3%	14.5%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	25.8%	26.8%	27.0%	28.2%	29.3%	
Female Employees as a Percent of Total						
Hydroelectric Power Division						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Hydroelectric Power Administration						
Workload						
Hydropower Project Monitoring Reports	2	2	2	2	2	2
Annual project monitoring reports are prepared to recap the project's annual operations data for reporting to the federal regulators.						
Effectiveness						
Power Sold to PGE (mwh)	91,107	100,106	88,211	59,118	90,000	90,000
The amount of power that is sold to PGE is a function of the amount of water that is available for power generation and the operational availability of the generation equipment.						
Efficiency						
Transfer of Hydropower Profits to General Fund	\$250,000	\$300,000	\$250,000	\$200,000	\$150,000	\$200,000
The transfer of Hydropower Project profits to General Fund is a function of the amount of power generated at the Portland Hydroelectric Project and the City's net expenses for operating the Project.						
Water Division						
Risk Data						
General Liability Claims per 200,000 Hours Worked	21.57	25.13	19.87	25.36		
Worker's Comp Claims per 200,000 Hours Worked	15.14	15.03	15.22	9.95		
Fleet Claims per 100,000 Miles Driven	2.11	1.60	1.50	1.20		
Fleet Claims Cost per 100,000 Miles Driven	\$4,504	\$2,961	\$2,670	\$3,920		
General Liability Claims Cost per \$100 Payroll	\$0.43	\$0.42	\$0.36	\$0.92		
Worker's Comp Claims Cost per \$100 Payroll	\$1.29	\$0.85	\$1.42	\$0.88		
Administration Program						
Workload						
Annual and Statistical Reports	2	2	1	2	1	1
Effectiveness						
Customers rating water service as satisfactory or better	93%	92%	93%	91%	91%	91%
Per S.E.A. Report						
Efficiency						
Operating cost per capita	\$57	\$61	\$64	\$62	\$60	\$60
Per S. E. A. Auditor's Report using constant FY 1998-99 dollars.						

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Finance Program						
Workload						
Debt Coverage Ratio	2.44	2.31	2.17	1.93	2.00	1.90
Effectiveness						
Variance of Water Fund ending balance with Financial Plan estimate	21%	10%	5%	5%	5%	5%
Efficiency						
Prepare a payroll check	\$6.31	\$6.31	\$6.60	\$6.83	\$7.00	\$7.00
Customer Services Program						
Workload						
Active accounts	158,141	159,177	160,100	162,000	163,300	162,900
At fiscal year end						
Effectiveness						
Participants in the low income bill discount program.	3,862	4,200	4,618	5,200	5,800	6,200
Efficiency						
Change in average monthly residential water bill	-2.7%	3.4%	5.5%	6.3%	6.3%	6.5%
per S.E.A. Auditor Report using constant FY 97-98 dollars.						
Water Distribution Program						
Workload						
Capital Improvement Plan implemented	84%	85%	99%	90%	90%	87%
Effectiveness						
Out-of-service fire hydrants returned to service within five working days	91%	91%	90%	90%	90%	90%
Efficiency						
Cost of a service transfer	\$482	\$521	\$500	\$510	\$520	\$520
Water Supply Program						
Workload						
Population served with water	786,873	795,168	773,200	789,000	797,000	805,000
Retail and wholesale customers						
Effectiveness						
Time that standard level of water pressure is maintained at point of delivery to the customer	99%	99%	99%	99%	99%	99%
Standard level is between 20 and 110 pounds						
Efficiency						
Annual per capita water usage (gallons)	49,477	49,039	48,400	44,900	44,900	44,900
Per City Auditor's S. E. A. Report						
Water Quality Program						
Workload						
Number of city maintained backflow devices tested	607	660	n/a	n/a	n/a	n/a
Effectiveness						
Percent of time that State and U.S. EPA water quality standards are attained	99%	100%	100%	100%	100%	100%
Efficiency						
Average backflow inspection time per new service (minutes)	84	110	82	110	110	110
in minutes						

Bureau of Water Works AU 637, 180

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	28,932,509	29,775,522	30,538,372	29,067,699	29,025,299
External Materials and Services	11,923,434	11,425,917	11,054,619	11,653,128	11,655,528
Internal Materials and Services	9,033,953	8,927,599	10,628,366	10,993,279	11,006,905
Minor Capital Outlay	1,765,709	731,475	1,249,600	1,974,000	1,974,000
Equipment Cash Transfers	6,750	0	13,000	0	0
Total Operating Budget	51,662,355	50,860,513	53,483,957	53,688,106	53,661,732
Capital Improvements	27,915,789	27,012,765	26,024,000	35,956,300	35,998,700
TOTAL BUREAU EXPENDITURES	\$ 79,578,144	\$ 77,873,278	\$ 79,507,957	\$ 89,644,406	\$ 89,660,432
Allocated Overhead	1,980,509	1,888,916	1,962,427	1,515,517	1,616,313
Total Cost with Allocated Overhead	81,558,653	79,762,194	81,470,384	91,159,923	91,276,745
RESOURCES					
Discretionary Revenues					
Water Operating Fund	72,330,519	69,270,382	72,474,758	80,888,462	80,904,290
Hydroelectric Power Fund	0	0	0	0	0
Total Discretionary Revenues	72,330,519	69,270,382	72,474,758	80,888,462	80,904,290
Non-Discretionary Revenues					
Grants & Donations - Water	624,905	1,021,772	175,000	200,000	200,000
Contract Revenues - Water	274,441	262,051	275,000	286,000	286,000
Contract Revenues - Hydro	376,683	625,422	666,824	512,352	512,550
Interagency Revenues - Water	5,922,491	6,654,336	5,869,875	7,728,592	7,728,592
Interagency Revenues - Hydro	49,105	39,315	46,500	29,000	29,000
Overhead Revenues	0	0	0	0	0
Total Non-Discretionary Revenues	7,247,625	8,602,896	7,033,199	8,755,944	8,756,142
TOTAL RESOURCES	79,578,144	\$ 77,873,278	\$ 79,507,957	\$ 89,644,406	\$ 89,660,432
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
DIVISIONS					
Water Division	79,152,356	77,208,539	78,794,633	89,103,054	89,118,882
<i>Positions</i>	<i>532</i>	<i>543</i>	<i>528</i>	<i>511</i>	<i>511</i>
Hydroelectric Power Division	425,788	664,739	713,324	541,352	541,550
<i>Positions</i>	<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>
TOTAL DIVISIONS	\$ 79,578,144	\$ 77,873,278	\$ 79,507,957	\$ 89,644,406	\$ 89,660,432
<i>Positions</i>	<i>535</i>	<i>546</i>	<i>531</i>	<i>514</i>	<i>514</i>
<i>General Fund Discretionary Positions</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
WATER DIVISION					
Administration Program	3,987,099	3,796,180	5,973,296	7,463,194	5,174,575
<i>Positions</i>	12	11	11	14	14
Finance Program	7,039,359	5,386,410	5,095,358	4,774,029	4,781,538
<i>Positions</i>	43	43	28	27	30
Customer Services Program	8,548,073	8,744,638	8,569,235	10,140,914	10,385,459
<i>Positions</i>	129	273	270	133	126
Water Distribution Program	30,189,492	28,267,910	36,790,193	37,789,811	30,170,542
<i>Positions</i>	241	107	110	242	245
Water Supply Program	20,439,495	20,625,166	13,424,302	17,382,121	26,568,636
<i>Positions</i>	60	59	59	57	58
Water Quality Program	8,948,838	10,388,235	8,942,249	11,552,985	12,038,132
<i>Positions</i>	47	50	50	38	38
TOTAL PROGRAMS	\$ 79,152,356	\$ 77,208,539	\$ 78,794,633	\$ 89,103,054	\$ 89,118,882
<i>Positions</i>	532	543	528	511	511
HYDROELECTRIC POWER DIVISION					
Hydroelectric Power Administration	425,788	664,739	713,324	541,352	541,550
<i>Positions</i>	3	3	3	3	3
TOTAL PROGRAMS	\$ 425,788	\$ 664,739	\$ 713,324	\$ 541,352	\$ 541,550
<i>Positions</i>	3	3	3	3	3

Water Division

OVERVIEW

FY 2002-03 Adopted Budget The Water Division's FY 2002-03 budget is \$89,118,882, comprised of the operating budget of \$47,658,582 and the Capital Improvement Program (CIP) budget of \$41,460,300.

Operating Budget: The budget of \$47,658,582 is a decrease of about \$5.1 million from the FY 2001-02 Revised Budget of \$52,770,633. Major elements of this net decrease are:

- ◆ A decrease of about \$1.9 million in salaries as a result of eliminating 27 full time positions.
- ◆ Ten apprentice positions are preserved in the budget, but no funding has been provided in FY 2002-03 due to positions not being filled. It is planned these positions will be funded in the future.
- ◆ A decrease in part-time staff of \$450,000, overtime of \$225,000, and premium pay of \$60,000.
- ◆ An increase in personal services costs of approximately \$900,000 for COLA adjustments.
- ◆ A decrease of about \$5.5 million for base capital costs transferred to the CIP. This amount is comprised of personal services of \$1.5 million, external materials and services of \$1.7 million, fleet costs of \$300,000, and equipment of \$2.0 million.
- ◆ An increase of about \$850,000 for electricity rate increases.
- ◆ An increase of \$250,000 for worker's compensation and general liability insurance costs.
- ◆ A new service level package for Security - Operations, totalling \$700,000. This program will provide seven new staff positions to protect bureau facility sites.

CIP Budget: The budget of \$41,460,300 reflects an increase of about \$15.4 million from the FY 2001-02 Revised Budget of \$26,040,000. This increase is primarily a result of:

- ◆ Transferring about \$5.5 million for base capital costs from the operating budget. This includes \$2.0 million for capital equipment items and \$3.5 million for services, hydrants, and meters.
- ◆ A new service level package for Security - Capital for \$8,440,000 (a total of nearly \$67.5 million over a five-year period). This project will provide for heightened security at over 80 of the bureau's critical facilities and sites. Three new positions are included to manage this project. The majority of the funds are focused on the five open reservoirs located at two of the City's most prominent parks - Mt. Tabor and Washington.
- ◆ A new service level package for Utility Relocations for \$2.5 million. This on-going project will provide funding for relocation work required in conjunction with city infrastructure work as conducted by other city bureaus.

17 full-time positions have been reduced

Total positions for operating and CIP are 511, a net decrease of 17 positions from the current total of 528. This amount includes ten positions that are not being funded. In addition to the total full-time of 511, there are 12 limited term positions that plan to be eliminated by year-end.

RECENT TRENDS

Demographics

The number of in-City retail services is projected to grow nearly 0.7 percent per year over the five-year forecast period contained in the division's Financial Plan.

The forecast retail demand reduction of 2.3 percent is based upon ongoing successful conservation efforts and a slowing of the local economy.

Finance

The bureau has a Aa1 bond rating from Moody's.

The division's most recent revenue bonds (March 2000) were assigned a Aa1 rating from Moody's Investor Services. This is one of the highest bond rating attainable for a stand alone revenue bond issue. This places the Water Division in elite company as one of a handful of Aa1 rated water systems in the entire United States, and the highest rated water system in the Pacific Northwest.

Since February 2000, the bureau has been working through the implementation challenges of its new customer service billing system that has negatively impacted its short-term cash position. A \$35 million revenue bond sale originally scheduled for October 2001 has been delayed until the fall of 2002, at which time cash flows and balances are expected to return to normal levels. To bridge this period, the bureau has deferred significant capital costs and has obtained a short-term line of credit to fund necessary capital projects for approximately six months. The bureau plans to demonstrate to Moody's that this is a short-term plan adjustment not affecting long-term financial strength, and thereby resulting in the bureau maintaining its current Aa1 rating.

CHANGES FROM PRIOR YEAR

The Water Division underwent the following organizational changes which are reflected in the FY 2002-03 Adopted Budget:

- ◆ Eliminating the Government and Community Relations Group and assigning the Public Information and Involvement section to the Administrator's Office; Conservation to Engineering; Planning to Resource Protection and Management.
- ◆ Transferring Meter Reading, Meter Inspection, Meter Shop, and Grounds Maintenance from Construction & Support to Customer Services.
- ◆ Transferring Eastside Services, Westside Services, and Construction from Engineering to Construction and Support.
- ◆ Transferring the Emergency Crew and the Hydrants section from Construction and Support to Operations and Maintenance.

The budget includes a net reduction of 17 full-time positions. The positions are spread throughout the bureau and partially address the goal of reducing operation and maintenance costs by 15% to 30% over a five-year period. A new service level package for security resulted in ten new positions.

Overview of Programs

ADMINISTRATION PROGRAM

The Administration Program includes work functions of the Administration Group and a portion of the Resource Protection and Management Group.

Administration Group This group encompasses the activities of the Administrator's Office, Human Resources Management, Organization Development Services, and Public Information and Involvement. The Administrator's Office is responsible for overall and long-range planning and leadership, and direction and operation of the bureau.

Resource Protection and Management Group The Planning section within this group is responsible for legislative activities, planning, customer demand analysis, and the Regional Water Provider's Consortium.

FINANCE PROGRAM

The Finance Program includes work functions of the Finance and Support Services Group and the Information Technologies Group.

Finance and Support Services Group This group provides bureau-wide payroll, accounting, budgeting, rate-setting, and financial planning and monitoring. Word processing and clerical support is also provided for bureau staff in the Portland Building.

Information Technologies Group This group is responsible for the central information processing for the bureau. This group consists of the Applications Support unit that supports interfaces with city financial and personnel systems, and other bureau-specific software, and the Data Operations Support unit that is responsible for the computer processing functions of the bureau.

CUSTOMER SERVICES PROGRAM

The Customer Services group provides billing and collection services for City water, sewer, and stormwater systems. Work responsibility includes establishment of new accounts, close out of terminated accounts, bill generation, payment application, response to customer inquiries, and collection of unpaid accounts.

A new Customer Information System (CIS) has been implemented. This group also provides meter reading, inspection, and meter shop functions. This work includes regularly scheduled meter reading, delinquent account notification, leak repair notification, shutting off water service for non-payment, turning on water after receiving payment, and removing and installing water meters.

WATER DISTRIBUTION PROGRAM

The program includes work functions of the Construction and Support Group, the Engineering Group, and portions of the Customer Services Group and Operations and Maintenance Group.

The Distribution program ensures that a reliable and adequate water system is available to satisfy the operating and future needs of the community. This program is responsible for the operation, maintenance, and improvement of the water distribution system within the city.

Construction and Support Group	This group is responsible for repairs and operation and maintenance of the distribution system. This work includes direct services and related support for control valves, welding, carpenter shop, and purchasing and stores operation. This group also has responsibility for installing new facilities including meters, hydrants, fountains, and CIP work. This group manages the bureau's two apprentice programs.
Engineering Group	This group is responsible for planning, designing, engineering, and constructing the water system. In addition, this group serves as customer liaison for new service installations, drafting, geographic information system (GIS), survey, inspection, and records maintenance for distribution system improvements. Also, this group's responsibilities include developing facility standards, contract management, and developing and managing the bureau's Capital Improvement Program (CIP). Administrative oversight of the Hydroelectric Power function is also a responsibility of this group.
Customer Services Group	Grounds maintenance functions are performed by a section within the Customer Services group.
Operations and Maintenance Group	This group is responsible for gates, hydrants, and emergency / security management for the distribution system. The emergency crew provides response for outside normal work hour requirements - including main breaks and off-hour water turn-ons.

WATER SUPPLY PROGRAM

The Supply program includes the work of the supply section within the Operations and Maintenance Group.

This section plans and implements the preventive maintenance program

This section is responsible for the operation and maintenance of all facilities in the Bull Run watershed, the Columbia South Shore wellfield, and the groundwater pump station. It also operates and maintains the conduits that carry water to the City, terminal storage reservoirs, tanks, pumping units, water treatment facilities, pressure regulators, and the Water Control Center. Operation and maintenance of decorative fountains is a responsibility of this group.

WATER QUALITY PROGRAM

The Water Quality program comprises portions of the Operations and Maintenance Group and the Resource Protection and Management Group.

This program has the responsibility for ensuring compliance with environmental regulations as they apply to the Bull Run watershed, such as the Endangered Species Act, Clean Water Act, and Northwest Forest Plan. The program is also responsible for implementing City code requirements to protect Columbia South Shore groundwater resources and participates in groundwater remediation projects regulated by the Oregon Department of Environmental Quality. The wellfield protection program is currently being reviewed and updated.

Operations and Maintenance Group

This group is responsible for addressing legislative and regulatory issues, public information on water quality issues, and urban services.

The Laboratory Services section performs collection and analytical testing of water samples.

The Water Quality Inspection section is responsible for investigating water quality customer complaints, managing the cross connection control program, and monitoring open reservoirs, tanks, and mains.

The Water Treatment section is responsible for the operation of the disinfection and corrosion control treatment processes for the Bull Run supply, as well as all treatment-related water quality monitoring and equipment maintenance.

The Regulatory Compliance section provides quality assurance and technical support to ensure that all water quality regulatory reporting and compliance requirements are met, provides input to the legislative and regulatory process concerning drinking water regulations, and evaluates and assists in the implementation of new water treatment processes.

**Resource Protection
and Management
Group**

This group is responsible for watershed and groundwater resource management and coordination with federal and state agencies.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	28,693,527	29,532,989	30,295,252	28,818,453	28,776,053
External Materials and Services	11,875,527	11,150,212	10,744,819	11,549,828	11,552,228
Internal Materials and Services	8,895,054	8,781,098	10,467,962	10,804,473	10,817,901
Minor Capital Outlay	1,765,709	731,475	1,249,600	1,974,000	1,974,000
Equipment Cash Transfers	6,750	0	13,000	0	0
Total Operating Budget	51,236,567	50,195,774	52,770,633	53,146,754	53,120,182
Capital Improvements	27,915,789	27,012,765	26,024,000	35,956,300	35,998,700
TOTAL BUREAU EXPENDITURES	\$ 79,152,356	\$ 77,208,539	\$ 78,794,633	\$ 89,103,054	\$ 89,118,882
Allocated Overhead	1,919,949	1,831,917	1,910,288	1,464,313	1,563,515
Total Cost with Allocated Overhead	81,072,305	79,040,456	80,704,921	90,567,367	90,682,397
RESOURCES					
Water Fund	79,152,356	77,208,539	78,794,633	89,103,054	89,118,882
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Administration Program	3,987,099	3,796,180	5,973,296	7,463,194	5,174,575
<i>Positions</i>	<i>12</i>	<i>11</i>	<i>11</i>	<i>14</i>	<i>14</i>
Finance Program	7,039,359	5,386,410	5,095,358	4,774,029	4,781,538
<i>Positions</i>	<i>43</i>	<i>43</i>	<i>28</i>	<i>27</i>	<i>30</i>
Customer Services Program	8,548,073	8,744,638	8,569,235	10,140,914	10,385,459
<i>Positions</i>	<i>129</i>	<i>273</i>	<i>270</i>	<i>133</i>	<i>126</i>
Water Distribution Program	30,189,492	28,267,910	36,790,193	37,789,811	30,170,542
<i>Positions</i>	<i>241</i>	<i>107</i>	<i>110</i>	<i>242</i>	<i>245</i>
Water Supply Program	20,439,495	20,625,166	13,424,302	17,382,121	26,568,636
<i>Positions</i>	<i>60</i>	<i>59</i>	<i>59</i>	<i>57</i>	<i>58</i>
Water Quality Program	8,948,838	10,388,235	8,942,249	11,552,985	12,038,132
<i>Positions</i>	<i>47</i>	<i>50</i>	<i>50</i>	<i>38</i>	<i>38</i>
TOTAL PROGRAMS	\$ 79,152,356	\$ 77,208,539	\$ 78,794,633	\$ 89,103,054	\$ 89,118,882
<i>Positions</i>	<i>532</i>	<i>543</i>	<i>528</i>	<i>511</i>	<i>511</i>

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LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	19,494,520	20,287,926	24,934,281	24,859,032	24,859,032
512000 Part-Time Employees	1,300,161	1,031,559	954,088	515,085	515,085
514000 Overtime	1,129,187	975,260	979,403	595,301	595,301
515000 Premium Pay	202,365	192,071	151,781	108,777	108,777
517000 Benefits	9,091,019	9,365,299	9,485,829	9,334,658	9,334,658
518000 Paid Absence	4,027,006	4,299,723	0	0	0
Total Personnel Services	35,244,258	36,151,838	36,505,382	35,412,853	35,412,853
Materials and Services					
External Materials and Services					
521000 Professional Services	8,755,380	5,465,863	7,401,950	7,671,788	7,674,188
522000 Utilities	1,631,173	1,615,442	1,707,160	2,560,000	2,560,000
523000 Equipment Rental	47,723	51,844	31,800	56,936	56,936
524000 Repair & Maintenance Services	893,834	519,205	1,089,539	954,618	954,618
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	2,330,650	1,131,625	1,200,400	1,267,395	1,267,395
531000 Office Supplies	0	0	0	0	0
532000 Operating Supplies	6,457,774	7,592,790	5,114,047	4,929,235	4,930,735
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	1,686	0	0	0	0
535000 Clothing & Uniforms	40,719	74,323	48,500	50,170	50,170
539000 Other Commodities External	29,134	25,608	21,890	19,000	19,000
541000 Education	300,080	242,462	292,218	288,638	288,038
542000 Local Travel	8,167	9,064	8,750	8,230	8,230
543000 Out-of-Town Travel	200,137	77,052	151,769	67,402	66,502
544000 Space Rental	11,136	3,950	10,400	10,605	10,605
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	595,411	290,753	201,296	292,411	292,411
Total External Materials and Services	21,303,004	17,099,981	17,279,719	18,176,428	18,178,828
Internal Materials and Services					
551000 Fleet Services	1,886,178	1,719,330	1,732,561	1,823,334	1,823,334
552000 Printing & Distribution	1,008,493	644,199	987,979	856,718	856,718
553000 Facilities Services	1,550,435	2,784,515	1,575,371	1,692,629	1,692,629
554000 Communications Services	1,534,992	1,272,617	1,328,869	1,364,819	1,364,819
555000 Data Processing Services	992,647	610,593	2,058,227	2,102,575	2,102,575
556000 Insurance	877,694	949,623	907,007	1,137,658	1,137,658
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	3,127,660	2,878,176	3,062,418	2,887,940	2,901,368
Total Internal Materials and Services	10,978,099	10,859,053	11,652,432	11,865,673	11,879,101
Total Materials and Services	32,281,103	27,959,034	28,932,151	30,042,101	30,057,929
Capital Outlay					
561000 Land	310,915	99,256	536,900	0	0
562000 Buildings	403,688	0	140,000	0	0
563000 Improvements	8,856,637	12,136,662	11,338,000	21,674,100	0
564000 Capital Equipment	2,016,521	838,725	1,304,800	1,974,000	1,974,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	21,674,100
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	11,587,761	13,074,643	13,319,700	23,648,100	23,648,100
573000 Equipment Cash Transfers	6,750	0	13,000	0	0
576000 Minor Equipment Transfers	32,484	23,024	24,400	0	0
TOTAL DIVISION EXPENSES	\$ 79,152,356	\$ 77,208,539	\$ 78,794,633	\$ 89,103,054	\$ 89,118,882

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	3	3	3	100,941	3	101,582	3	101,582
515	Accountant II	1	0	0	0	0	0	0	0
516	Accountant III	0	1	1	49,603	1	53,176	1	53,176
530	Accounting Supervisor I	1	1	0	0	0	0	0	0
531	Accounting Supervisor II	5	5	4	214,510	4	234,185	4	234,185
532	Accounting Supervisor III	0	0	1	69,555	1	71,848	1	71,848
510	Accounting Technician	1	2	1	34,320	1	35,454	1	35,454
819	Administrative Assistant	2	2	2	102,252	3	155,083	3	155,083
926	Administrative Services Manager	1	1	1	73,029	1	75,434	1	75,434
815	Administrative Specialist	0	0	0	0	1	35,037	1	35,037
920	Administrative Supervisor I	4	4	4	205,829	2	109,857	3	151,680
922	Administrative Supervisor II	1	1	0	0	0	0	0	0
2532	Applications Analyst II	2	3	3	159,368	4	226,253	4	226,253
2533	Applications Analyst III	5	5	4	255,092	4	267,545	4	267,545
2534	Applications Analyst IV	0	0	0	0	1	69,969	1	69,969
826	Assistant Financial Analyst	1	1	1	53,810	1	55,583	1	55,583
1311	Automotive Equipment Operator I	14	13	13	500,952	13	518,726	13	518,726
1313	Automotive Equipment Operator II	1	0	0	0	0	0	0	0
1314	Automotive Equipment Operator II	0	2	2	81,494	2	84,188	2	84,188
1709	Backflow Program Coordinator	1	0	0	0	0	0	0	0
928	Bureau Administrative Manager	1	1	0	0	0	0	0	0
3132	CADD Manager	1	1	1	51,730	1	53,432	0	0
1420	Carpenter	6	6	6	260,081	4	180,320	4	180,320
3285	Chemist	1	1	1	50,482	1	52,137	1	52,137
3171	Chief Engineer	2	2	2	179,712	2	179,867	2	179,867
3236	Chief Planner	1	1	0	0	0	0	0	0
114	Clerical Specialist	8	0	0	0	0	0	0	0
1410	Concrete Finisher	2	2	2	87,276	2	90,160	2	90,160
1316	Construction Equip Operator II	14	0	0	0	0	0	0	0
1315	Construction Equipment Operator	1	15	15	649,590	15	670,875	15	670,875
131	Customer Accounts Specialist I	31	30	30	1,082,507	31	1,133,595	31	1,133,595
132	Customer Accounts Specialist II	4	4	4	161,992	4	167,292	4	167,292
943	Economist II	3	3	1	73,237	2	152,045	2	152,045
1455	Electrical Supervisor	1	1	1	62,816	1	64,895	1	64,895
1453	Electrician	4	4	4	216,904	5	282,903	5	282,903
3164	Engineer	4	4	4	258,046	4	273,005	4	273,005
3153	Engineering Associate	4	4	4	211,323	5	275,272	5	275,272
3165	Engineering Surveying Manager	1	1	1	73,237	1	75,648	1	75,648
2010	Environmental Services Manager	1	1	1	63,502	1	65,604	1	65,604
3194	Environmental Specialist	5	6	6	365,635	6	380,478	6	380,478
1115	Facilities Maintenance Tech	1	1	1	42,318	0	0	0	0
827	Financial Analyst	4	4	3	163,829	1	59,574	1	59,574
1524	General Mechanic	2	2	2	88,150	2	91,036	2	91,036
4114	Horticulturist	0	1	1	41,434	1	42,804	1	42,804
4113	Horticulturist, Apprentice	1	0	0	0	0	0	0	0
614	Human Resources Coordinator	1	1	0	0	0	0	0	0
1445	Industrial Painter	0	5	5	218,190	4	180,320	5	215,774
1446	Industrial Painter, Lead	0	1	1	45,822	1	47,335	1	47,335
2542	Information Systems Analyst II	1	1	1	57,720	1	59,612	1	59,612
2543	Information Systems Analyst III	3	3	1	60,410	2	128,406	2	128,406
2544	Information Systems Analyst IV	1	2	1	67,746	3	209,907	3	209,907
2550	Information Systems Manager	0	1	1	78,645	1	81,244	1	81,244
2546	Information Systems Supervisor	4	3	3	205,587	2	151,672	2	151,672
2523	Information Systems Tech II	4	4	1	52,270	1	53,996	1	53,996
2524	Information Systems Tech III	1	0	0	0	0	0	0	0
2138	Inspection Supervisor I	1	1	1	65,862	1	68,236	1	68,236
3260	Instrument Technician	3	3	3	162,678	4	224,084	4	224,084
3280	Laboratory Analyst	4	4	4	167,980	4	173,556	4	173,556
2034	Laboratory Manager	1	1	1	77,064	1	79,595	1	79,595
1721	Lead Meter Mechanic	1	0	0	0	0	0	0	0
1439	Lead Water Operations Painter	1	0	0	0	0	0	0	0
951	Management Analyst	1	1	0	0	0	0	0	0
3284	Microbiologist	1	1	1	50,482	0	0	0	0
116	Office Manager	2	0	0	0	0	0	0	0
100	Office Support Specialist I	0	4	3	91,541	5	173,713	5	173,713
102	Office Support Specialist II	0	12	11	376,844	10	354,540	8	283,632
104	Office Support Specialist III	0	4	3	121,494	4	174,036	3	132,213
106	Office Support Specialist, Lead	0	1	1	40,498	0	0	0	0
1770	Operating Engineer II	3	3	4	174,552	4	182,575	4	182,575

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FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.		No.		No.	
1771	Operating Engineer, Lead	12	13	13	595,686	13	615,355	13	615,355
1215	Park Technician	0	0	2	75,462	2	81,787	2	81,787
3169	Principal Engineer	6	6	5	426,764	5	438,032	5	438,032
832	Principal Financial Analyst	0	1	2	140,650	2	149,668	2	149,668
2545	Principal Info Systems Analyst	3	3	1	73,424	1	75,836	1	75,836
966	Program Coordinator	0	0	1	46,675	1	48,212	1	48,212
968	Program Manager I	1	3	2	114,886	3	189,290	3	189,290
970	Program Manager II	4	3	5	321,116	5	325,541	6	378,973
972	Program Manager IV	1	1	2	169,676	2	181,009	2	181,009
964	Program Specialist	7	5	6	322,072	5	287,964	5	287,964
3150	Public Works Inspector	3	3	3	150,035	4	215,226	4	215,226
3151	Public Works Inspector, Senior	2	2	2	113,484	2	117,220	2	117,220
3149	Public Works Inspector, Trainee	0	0	0	0	1	51,977	1	51,977
1952	Public Works Manager	7	7	7	476,565	6	437,996	6	437,996
1950	Public Works Supervisor	14	14	14	795,527	8	469,509	9	522,309
3217	Right-of-Way Agent	1	1	1	51,730	0	0	0	0
220	Secretarial Clerk I	6	0	0	0	0	0	0	0
221	Secretarial Clerk II	5	0	0	0	0	0	0	0
816	Senior Administrative Specialist	3	3	6	246,240	5	231,466	6	266,920
3166	Senior Engineer	7	8	8	577,111	9	666,180	9	666,180
3163	Senior Engineering Associate	18	17	17	1,014,810	18	1,135,139	18	1,135,139
2012	Senior Environmental Svcs Mgr	2	2	4	355,686	3	270,777	3	270,777
828	Senior Financial Analyst	3	2	2	121,951	2	133,945	2	133,945
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
952	Senior Management Analyst	0	0	1	61,859	1	64,895	1	64,895
537	Senior Management Auditor	1	1	1	69,430	1	74,667	1	74,667
3231	Senior Planner	1	1	1	58,490	1	56,407	1	56,407
1956	Senior Public Works Manager	1	1	0	0	0	0	0	0
414	Senior Stores System Manager	1	1	1	56,545	1	60,792	1	60,792
1212	Senior Water Utility Worker	18	0	0	0	0	0	0	0
1213	Senior Water Utility Worker	0	1	1	38,626	1	39,902	1	39,902
310	Service Dispatcher	0	2	2	73,924	1	38,190	2	80,723
1223	Sign Maker, Apprentice	1	0	0	0	0	0	0	0
410	Storekeeper	3	0	0	0	1	42,533	0	0
406	Storekeeper/Acquisition Spec II	0	3	3	123,552	2	85,066	2	85,066
408	Storekeeper/Acquisition Spec III	0	1	1	47,278	1	48,838	1	48,838
411	Stores Supervisor I	1	0	0	0	0	0	0	0
115	Supervising Clerk	1	0	0	0	0	0	0	0
3167	Supervising Engineer	4	4	4	308,256	4	318,240	4	318,240
3121	Surveying Aide II	1	1	1	36,296	1	37,500	1	37,500
3124	Surveying Supervisor	1	1	1	69,555	1	71,848	1	71,848
3122	Surveyor I	2	2	2	93,018	2	96,090	2	96,090
3123	Surveyor II	2	2	2	99,632	2	102,896	2	102,896
3107	Technician I	2	2	2	77,078	3	122,586	3	122,586
3108	Technician II	19	18	16	776,122	16	803,352	16	803,352
3109	Technician III	3	3	4	232,191	4	231,101	4	231,101
1054	Trades Supervisor	4	4	4	231,865	4	219,796	3	166,996
650	Training & Development Analyst	1	1	1	59,613	1	65,824	1	65,824
1218	Utility Worker	71	0	0	0	0	0	0	0
1210	Utility Worker I	0	18	18	604,198	13	461,929	13	461,929
1211	Utility Worker II	0	63	61	2,236,764	63	2,400,016	63	2,400,016
1209	Utility Worker II, Apprentice	0	8	8	244,148	6	26,967	6	26,967
1532	Vehicle & Equipment Mechanic	1	1	1	44,075	1	55,583	1	55,583
1744	Water Bureau Director	1	1	1	104,832	1	103,436	1	103,436
1710	Water Meter Reader	14	0	0	0	0	0	0	0
1700	Water Meter Reader I	0	13	13	452,647	13	467,688	13	467,688
1701	Water Meter Reader II	0	1	1	39,395	1	40,695	1	40,695
1718	Water Meter Technician I	3	3	3	114,775	3	123,903	3	123,903
1719	Water Meter Technician II	0	1	4	183,288	4	189,340	4	189,340
1730	Water Operations Mechanic	0	21	17	741,846	16	717,501	16	717,501
1731	Water Operations Mechanic, Lead	0	33	33	1,512,126	29	1,370,460	29	1,370,460
1442	Water Operations Painter	5	0	0	0	0	0	0	0
1725	Water Ops Mechanic Apprentice	0	7	7	275,618	6	39,066	6	39,066
1713	Water Quality Inspector II	5	5	5	249,910	5	258,180	5	258,180
1714	Water Quality Inspector III	0	1	1	52,478	1	54,204	1	54,204
1722	Water Service Crew Leader	17	0	0	0	0	0	0	0
1711	Water Service Inspector	9	0	0	0	0	0	0	0
1705	Water Service Inspector	0	9	9	354,555	9	385,736	9	385,736

Water Division AU 180

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
1283	Water Service Mech Apprentice	7	0	0	0	0	0	0	0
1720	Water Service Mechanic	37	0	0	0	0	0	0	0
1752	Water Treatment Operator II	9	9	9	437,485	9	452,544	9	452,544
1760	Watershed Specialist	0	7	7	257,418	6	241,541	6	241,541
1762	Watershed Specialist, Senior	0	1	1	38,626	1	39,902	1	39,902
1510	Welder	0	2	2	87,276	0	0	0	0
1748	Wtr Headworks Pipeline Inspector	1	0	0	0	0	0	0	0
	Full Time Limited Term Positions	0	0	0	0	12	0	12	0
TOTAL FULL-TIME POSITIONS		532	543	528	\$ 24,934,281	511	\$ 24,859,032	511	\$ 24,859,032
	Full Time Limited Term Positions	0	0	12	0	12	0	12	0

Water Division AU 180

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	78,804,699	0	78,804,699	500.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	8,440,000	0	8,440,000	3.0	Security - Capital Add Package
	2,500,000	0	2,500,000	0.0	Utility Relocation Add Package
	700,000	0	700,000	7.0	Security - Operating Add Package
	93,595	0	93,595	0.0	Reclassifications
	66,100	0	66,100	1.0	Position Funded by Regional Consortium
	(980,700)	0	(980,700)	0.0	Capital Adjustments
	(386,976)	0	(386,976)	0.0	External M&S Reductions
	(133,664)	0	(133,664)	0.0	Interagency Reductions
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	13,428	0	13,428	0.0	COPPEEA Adjustment
	2,400	0	2,400	0.0	Bond Sale Costs
	10,314,183	0	10,314,183	11.0	Total FY 2002-03 Decision Packages
			\$ 89,118,882	511.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Hydroelectric Power Division

OVERVIEW

Organizational Description

Generated power is sold to PGE under a long term power sales contract.

The Hydroelectric Power Division manages the ongoing operation of the City's Portland Hydroelectric Project (Project). This project is located 25 miles east of Portland in the Bull Run Watershed and has a combined generation capacity of 36 megawatts. The power generated at this project is sold locally to the Portland General Electric Company (PGE) via a long term power sales contract. The project is also subject to federal and state regulatory control via long term licenses and permits.

Staff Functions

Three full time staff manage the Hydroelectric Power Division.

The Hydroelectric Power Division's staff is responsible for:

Project Administration

Administration of all aspects of the Project's long term power sales agreement with PGE including financial, operations and maintenance, and repair issues;

Regulatory Compliance

Response to all Project-related regulatory requirements including surveillance, oversight and reporting on the status of the Project's physical facilities and emergency action planning for the bureau's two major water supply dams and three other large, in-town open water supply reservoirs; and

Project Finances

Coordination of all Project-related financial matters, including the administration of the Project's revenue bonds and the City's associated budget requirements for this division and the three Hydroelectric Power Funds.

Project Operations

The Portland Hydroelectric Project continues to be operated in compliance with its various regulatory requirements and with a minimum of down-time interruptions.

FY 2002-03 Budget

The FY 2002-03 Adopted Budget for the Hydroelectric Power Division is \$541,550. This budget supports the City's administrative and operational costs associated with the Portland Hydroelectric Project and maintains the current service level with a staff of three full-time positions.

CHANGES FROM PRIOR YEAR

The FY 2001-02 Budget contained a one-time increase of \$190,000 to authorize a specific and necessary repair project at the Portland Hydroelectric Project. The FY 2002-03 Adopted Budget has not identified any more repair projects that will require additional funding authorization at this time.

Overview of Programs

HYDROELECTRIC POWER ADMINISTRATION

Mandated Administrative and Operational Activities

*Four contractual or
regulatory documents
mandate activities.*

As in the past, the Hydroelectric Power Division has only one program, Hydroelectric Power Administration. This program provides for the administrative and operational activities that are mandated for the City's Portland Hydroelectric Project through the following contractual or regulatory documents:

- ◆ Power Sales Agreement between the City and Portland General Electric Company (PGE);
- ◆ Hydroelectric Power Revenue Bond Trust Indentures;
- ◆ Project license from the Federal Energy Regulatory Commission (FERC); and
- ◆ Permits from both the U.S. Forest Service and the Oregon Water Resources Department.

Activity Coordination

These activities include the ongoing coordination with:

- ◆ The project's power purchaser and operator, PGE;
- ◆ Four different state and federal regulatory and/or resource agencies;
- ◆ The Independent Trustee for the Hydroelectric Power Revenue Bonds;
- ◆ The project's insurance underwriters;
- ◆ The Water Bureau's Water Operations Group; and
- ◆ Various other City bureaus.

Other Hydropower Projects

This program also provides administrative support for the regulatory aspects of the Water Division's two small hydropower projects.

Hydroelectric Power Division AU 637

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	238,982	242,533	243,120	249,246	249,246
External Materials and Services	47,907	275,705	309,800	103,300	103,300
Internal Materials and Services	138,899	146,501	160,404	188,806	189,004
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	425,788	664,739	713,324	541,352	541,550
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 425,788	\$ 664,739	\$ 713,324	\$ 541,352	\$ 541,550
Allocated Overhead	60,560	56,999	52,139	51,204	52,798
Total Cost with Allocated Overhead	486,348	721,738	765,463	592,556	594,348
RESOURCES					
Hydropower Operating Fund	425,788	664,739	713,324	541,352	541,550
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Hydroelectric Power Administration	425,788	664,739	713,324	541,352	541,550
Positions	3	3	3	3	3
TOTAL PROGRAMS	\$ 425,788	\$ 664,739	\$ 713,324	\$ 541,352	\$ 541,550
Positions	3	3	3	3	3

Hydroelectric Power Division AU 637

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	152,310	150,707	179,130	185,018	185,018
514000 Overtime	0	0	1,500	0	0
515000 Premium Pay	91	104	500	0	0
517000 Benefits	62,915	63,228	61,990	64,228	64,228
518000 Paid Absence	23,666	28,494	0	0	0
Total Personnel Services	238,982	242,533	243,120	249,246	249,246
Materials and Services					
External Materials and Services					
521000 Professional Services	15,683	14,375	45,000	35,000	35,000
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	308	0	2,000	2,000	2,000
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	116	0	3,000	3,000	3,000
531000 Office Supplies	158	257	2,000	2,000	2,000
532000 Operating Supplies	10	56	2,000	2,000	2,000
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	2,129	2,041	3,000	3,000	3,000
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	120	0	1,200	1,200	1,200
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	0	0	1,600	1,600	1,600
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	29,383	258,976	250,000	53,500	53,500
Total External Materials and Services	47,907	275,705	309,800	103,300	103,300
Internal Materials and Services					
551000 Fleet Services	7,193	4,232	3,715	4,831	4,831
552000 Printing & Distribution	2,822	4,712	2,650	3,456	3,456
553000 Facilities Services	0	0	0	0	0
554000 Communications Services	5,390	5,220	6,956	6,721	6,721
555000 Data Processing Services	430	2,933	2,772	2,695	2,695
556000 Insurance	38,252	31,845	32,373	60,429	60,429
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	84,812	97,559	111,938	110,674	110,872
Total Internal Materials and Services	138,899	146,501	160,404	188,806	189,004
Total Materials and Services	186,806	422,206	470,204	292,106	292,304
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 425,788	\$ 664,739	\$ 713,324	\$ 541,352	\$ 541,550

Hydroelectric Power Division AU 637

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
2534	Applications Analyst IV	1	1	1	67,746	1	69,969	1	69,969
114	Clerical Specialist	1	0	0	0	0	0	0	0
102	Office Support Specialist II	0	1	1	34,320	1	35,454	1	35,454
3167	Supervising Engineer	1	1	1	77,064	1	79,595	1	79,595
TOTAL FULL-TIME POSITIONS		3	3	3	\$ 179,130	3	\$ 185,018	3	\$ 185,018

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	542,669	0	542,669	3.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(1,317)	0	(1,317)	0.0	Interagency Adjustments
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	198	0	198	0.0	COPPEEA Adjustment
	(1,119)	0	(1,119)	0.0	Total FY 2002-03 Decision Packages
			\$ 541,550	3.0	Total Adopted Budget
FY 2001-02 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

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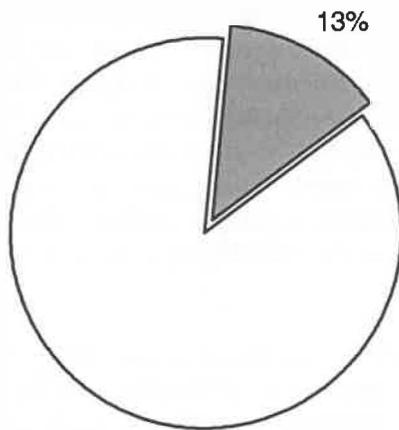
Community Development

Office of Planning and Development Review
 Cable Communications and Franchise Management
 Office of Sustainable Development

Bureau of Housing and Community Development
 Office of Neighborhood Involvement
 Bureau of Planning

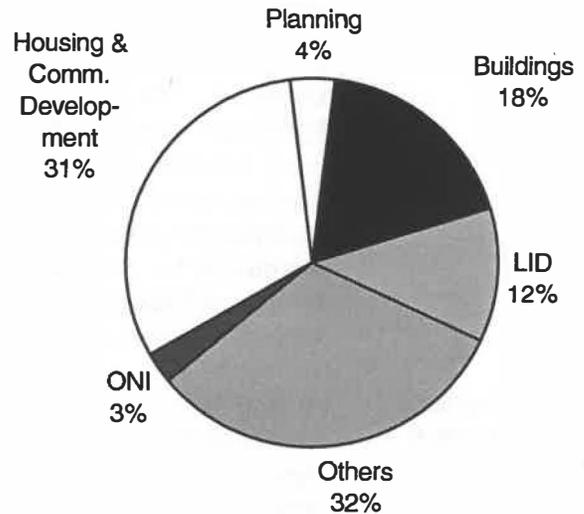
Percent of City Budget

Community Development = \$185 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	64,023,563	56,624,357	-7,399,206	-16.4%
Capital	0	0	0	0.0%
Allocated Overhead Costs	2,019,510	2,154,024	134,514	0.8%
Total Cost with Allocated Overhead	\$ 66,043,073	\$ 58,778,381	\$ -7,264,692	-15.9%
Authorized Full-Time Positions	459	437	-22	-10.0%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Community Development Service Area includes programs in the Bureau of Housing and Community Development, Office of Planning and Development Review, Office of Cable Communications and Franchise Management, Office of Sustainable Development, Office of Neighborhood Involvement, and Bureau of Planning.

MAJOR THEMES

Housing and Community Development

Bureau Highlights

The Bureau of Housing and Community Development (BHCD) manages federal funds channeled to the City by the U. S. Department of Housing and Urban Development. Entitlement grants, including the Community Development Block Grant, HOME, Housing for People with AIDS (HOPWA), and the Emergency Shelter Grant, will total \$18,207,000, a net decrease of \$258,000 from the previous year. BHCD uses General Fund discretionary resources to support youth, homeless, and public safety issues. The bureau is also responsible for allocating the General Fund resources transferred annually into the Housing Investment Fund (HIF). Budgeted at \$468,557 in FY 2002-03, these funds will be used to support homeless programs.

Office of Planning and Development Review

Arising from the Blueprint 2000 process, the City Council created the Office of Planning and Development Review (OPDR) by merging the Bureau of Buildings and the Development Review section of the Bureau of Planning. The Adopted Budget for OPDR includes the reduction of General Fund revenues by \$1,159,000 (35%), a reduction that will impact the Neighborhood Quality and Land Use Review programs that traditionally rely on General Fund support.

To replace lost General Fund revenues, penalties for housing code enforcement violations are being increased and will generate \$370,000 in additional revenue. OPDR will also initiate a more efficient and effective process for billing nuisance abatement fees which is expected to generate an additional \$50,000 in revenue. \$354,000 of General Fund support to the Neighborhood Quality program will be replaced by revenue from the collection of additional housing and nuisance liens. In addition, fees for land use reviews will be increased 5.1% which represents cumulative CPI increases for the past two years.

Cable Communications and Franchise Management

The Cable Office enforces cable service franchises, manages community use of the cable system, and works to maximize City franchise revenues. Franchise fee revenues are expected to continue to grow with the successful settlement of the Qwest lawsuit.

The FY 2002-03 Adopted Budget reduces General Fund discretionary support by over \$145,000 from the current level. The largest effect will be a reduction in City support of Portland Cable Access, for which funding is budgeted at \$784,205 in FY 2002-03.

The office will continue to oversee open access to the Internet via cable and will implement a new City Wireless Strategy which will allow wireless facilities to use the public right-of-way. The strategy will foster competition among and between wireless carriers, bring more wireless technology to the community and create and secure employment opportunities for Portland residents.

Office of Sustainable Development

The Office of Sustainable Development (OSD) continues to pursue options to protect the City's economic, environmental, and public interest goals. The FY 2002-03 Adopted Budget includes reduced General Fund support of almost \$6,000 below current levels. Overall funding is steady as most of OSD's support comes from residential and commercial solid waste fees, grants, and charges to other bureaus.

The Adopted Budget includes funding to continue all current programs in energy efficiency, solid waste, sustainability practices, and green building. In particular, OSD will seek to improve on Portland's already nationally-recognized recycling efforts through implementation of a food waste recycling program.

Office of Neighborhood Involvement

The Office of Neighborhood Involvement provides a wide range of programs and services to encourage citizen participation and improve neighborhood and community livability. The Mayor's Adopted Budget maintains all programs and services.

Bureau of Planning

In 1999, the City Council adopted the recommendations from the Blueprint 2000 Stakeholders Team to reorganize the Bureau of Planning. Planning's Development Review section merged with the Bureau of Buildings, while long-range planning activities remained in the Bureau of Planning. Funding for the River Plan (previously referred to as the update of the Willamette River Greenway Plan) has been added for four years. Funding in FY 2002-03 is set at \$367,000. This multi-year plan will integrate a broad array of river-related research and planning efforts. The plan will result in revised Comprehensive Plan policies that will guide the City's planning, development and investment decisions; new zoning maps; capital projects that will help the City implement the Plan; new or revised education and stewardship programs to help the community get involved with the river; and funding strategies to help the City pay for everything the plan will envision.

Ongoing funding is included for the River Renaissance program in the amount of \$152,000. This request supports 1 FTE to lead the work of the interbureau River Renaissance Management Team.



Office of Planning and Development Review

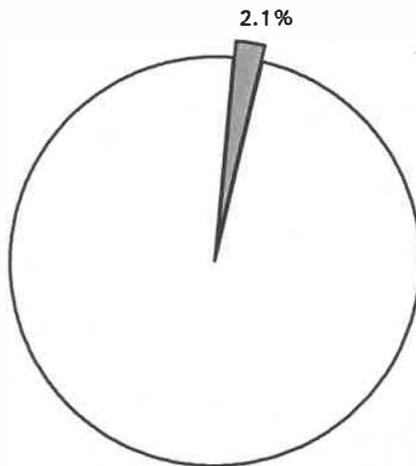
Community Development Service Area

Mayor Vera Katz, Commissioner-in-Charge

Margaret Mahoney, Director

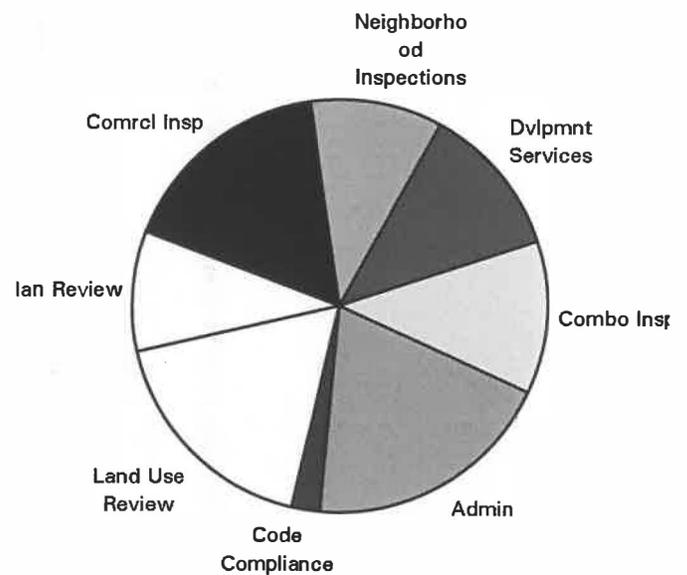
Percent of City Budget

OPDR = \$29.3 Million



City Budget = \$1.4 Billion

Bureau Programs

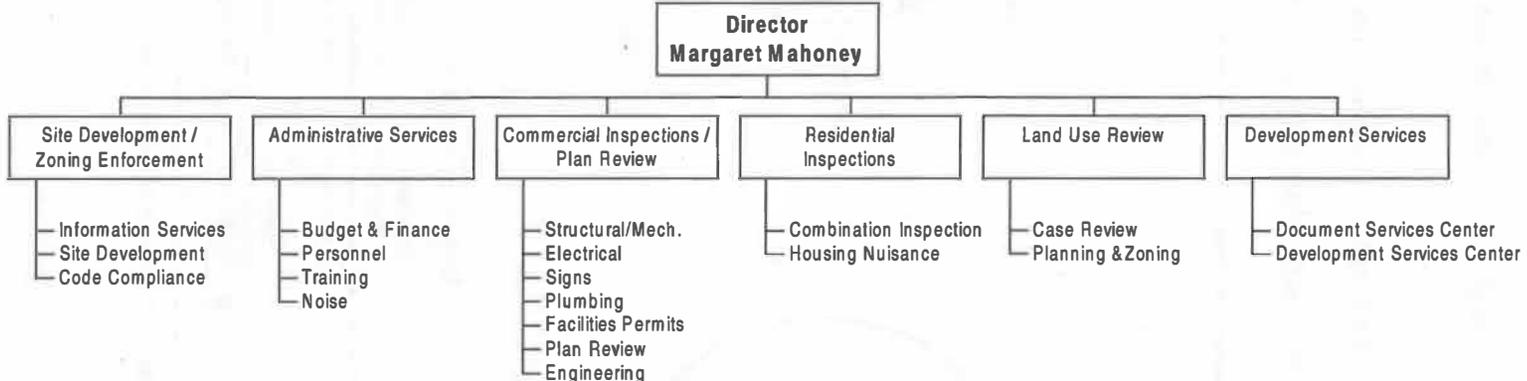


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	29,820,413	29,300,075	-520,338	-7.1%
Capital	0	0	0	0.0%
Allocated Overhead Costs	648,044	686,045	38,001	0.1%
Total Cost with Allocated Overhead	\$ 30,468,457	\$ 29,986,120	\$ -482,337	-6.9%
Authorized Full-Time Positions	297	286	-11	-9.0%

Note: Per capita change values are adjusted for inflation and population growth.

Office of Planning and Development Review



Bureau Summary

BUREAU MISSION

The Office of Planning and Development Review works with the community and other bureaus to preserve and shape safe, vital and well-planned urban environments.

BUREAU OVERVIEW

General Description

The Office of Planning and Development Review is an integral part of the development process. The bureau manages programs which ensure that construction and land use codes are followed and is instrumental in enhancing the safety of buildings and Portland's quality of life. To this end, staff review construction plans and issue permits. Inspectors perform field visits to ensure compliance. Bureau staff work with developers, builders and homeowners to guide them through the development process. The bureau is also responsible for the housing maintenance, nuisance and noise codes.

State Statutes and Administrative Rules

City enforces a variety of State and local statutes.

The City assumed the responsibility for enforcing a variety of State statutes when it chose to administer its own construction code program. State statutes govern the building, mechanical, plumbing and electrical codes, subsurface sewage disposal, mobile homes and mobile home parks, and recreational vehicle parks. Through an intergovernmental agreement with Multnomah County, OPDR provides construction code enforcement in the area from the Portland-Gresham urban services line to the western Multnomah County line.

In addition to the programs assumed from the State, OPDR is assigned responsibility by the City Council for administering a variety of regulations adopted within the City Code. The largest of these is the application and administration of planning and zoning requirements under Title 33 of the City Code. OPDR is also responsible for Property Maintenance (Title 29), Noise Control (Title 18), Floating Structures (Title 28), Erosion Control (Title 10) and Signs (Title 32).

OPDR reviews plans, issues permits, and inspects industrial, commercial and residential construction. The Bureau also provides permit records, answers customer inquiries about the development review process, tracks plans, and provides early assistance for customers all the way through permit issuance.

The Land Use Review Division is responsible for implementing the City's land use policies, plans and codes through the review of proposed development.

The Neighborhood Inspections Division requires housing and property to meet minimum standards and removes dangerous buildings. Also in this program is the City Noise Program which processes both violations and noise variances.

The Site Development/Zoning Enforcement program ensures compliance with site-related regulations, such as erosion control, grading, and on-site stormwater treatment and disposal. The program also enforces the zoning code, as well as structural, mechanical, plumbing, and electrical code violation cases.

Fees

Construction permits and inspections do not use General Fund resources

In FY 1988-89, City Council directed the bureau to structure its fee schedules to ensure that construction permit and inspection functions do not depend upon general tax revenues. The bureau achieved self-sufficiency for these programs in the FY 1990-91 budget. In 2000, the City Council clarified its policy that 65% of the Land Use Review program should be fee supported and the balance provided by General Fund resources. In FY 2000-01, Land Use Review fees supported 62% of the program. The Neighborhood Inspections program is supported by fees, penalties, the General Fund and the Solid Waste Fund.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Blueprint 2000

OPDR will continue to implement improvements to the Citywide Blueprint 2000 development review process. The goal is a seamless review process - one that enhances customer service and the efficiency of City staff.

TRACS Computer Program

OPDR will continue improving the TRACS computer system first implemented in FY 1999-00. TRACS records and tracks development services functions provided by City bureaus. In FY 2002-03, more research information will be made available to customers and a pilot project for field input devices will be implemented.

Enforcement and Compliance Issues

OPDR will continue to study its enforcement and compliance activities, focusing on environmental regulations. One result of the preliminary findings is the reorganization of the Site Development, Environmental Soils, and Code Compliance sections into a single division. OPDR is also reviewing its enforcement processes through the ESA enforcement study.

Commercial Inspections Program Innovations

Even in the face of reduced resources, OPDR will be initiating several program innovations. A new program called Major Projects Group will provide premium development review and inspection services to major construction projects. Plumbing inspectors will also be cross-trained to perform mechanical inspections. In addition, the Facilities Permit program will be expanded.

SUMMARY OF BUDGET DECISIONS

Over the last several years, the number of construction permits and land use reviews has dropped slightly. Though revenues have been somewhat stable, there has been minimal growth. However, due to the increased complexity of OPDR's workload, the number of inspections needed and the time spent on reviewing permits and plans have increased, keeping costs steady. Consequently, at the end of FY 2001-02, the construction program reserves will be at their lowest level since the fund was established in FY 1988-89. In addition, State law prohibits using permit and plan review fees to fund local programs, for example zoning enforcement or erosion control.

The Adopted Budget eliminates 11 vacant positions

In response to these conditions, the Adopted Budget eliminates 11 vacant positions from across all OPDR programs. Seven vacant positions will be cut in the construction-related programs, three in the Neighborhood Quality program and one in the Land Use Review program. OPDR will continue to review each and every vacant position and fill only those where the workload demands it. Expenditures will be contained to the greatest degree possible. Nevertheless, in order to bring programs closer to full cost recovery, the Adopted Budget for FY 2002-03 includes some fee increases.

Fees for electrical permits will be increased by 5% and for plumbing permits by 8%. However, these two programs will still not be fully funded by direct program fees. In FY 2002-03, program fees will only cover 86% of the electrical program and 97% of the plumbing program. Future fee increases will be needed to bring these programs to full cost recovery and begin to fund their counter-cyclical reserves. Finally, the Facilities Permit program fees will be increased by 12.5% and sign permit fees will increase by 25%. Fees for the Site Development Program will also be increased.

General Fund revenues allocated to OPDR are shrinking by \$1,159,000 (35%), a reduction that will impact the Neighborhood Quality and Land Use Review programs that traditionally rely on General Fund support. In addition, funds from the Housing and Community Development Fund (HCD) which support the targeted housing inspection program in Neighborhood Quality are being reduced by \$117,000.

As a result of these revenue reductions, three positions in the Neighborhood Quality program are being eliminated: two because of the cut in General Fund, one due to the reduced HCD funds. In addition, to replace lost General Fund revenues, penalties for housing code enforcement violations are being increased and will generate \$370,000 in additional revenue. OPDR will also initiate a more efficient and effective process for billing nuisance abatement fees which is expected to generate an additional \$50,000 in revenue. Finally, \$354,000 of General Fund support to the Neighborhood Quality program will be replaced by revenue from the collection of additional housing and nuisance liens. The Auditor's Office will undertake a program to collect these liens more aggressively, and estimate they will collect at least \$354,000 more lien revenue than would otherwise be collected during the year. The Solid Waste Fund will continue to support the Nuisance Abatement program. The result of these revenue shifts is that funding for housing and nuisance abatement will be primarily from fines and penalties. Only 1% of the program will be funded through the General Fund, a significant shift from the historical funding pattern.

In the Land Use Review program, one position is eliminated due to the General Fund reduction. In addition, fees for land use reviews will be increased by 5.1%, which is the CPI increase for 01/02, and 02/03.

FUNDING SOURCES

As an operating fund, OPDR is primarily funded through fees and charges. Fees and charges fully finance the bureau's construction code enforcement programs.

General Fund partially supports the Land Use Review, Neighborhood Inspection and Noise programs

The Land Use Review and Noise programs are funded by the General Fund and fees and charges. The Neighborhood Inspections program, including housing inspection and nuisance abatement, is funded by enforcement revenues with assistance from refuse disposal fees, Community Development Block Grant funds and the General Fund.

Over the last several years, the number of construction permits and land use reviews have dropped slightly and revenues have been somewhat stable. However, due to the increased complexity of OPDR's workload, the number of inspections needed and the time spent on reviewing permits and plans have not decreased at the same rate as the reduction in revenues.

Fund reserves are at lowest level since the fund was established

Consequently, at the end of FY 2001-02, the construction program reserves will be at their lowest level since the fund was established. However, in FY 2002-03, as a result of spending reductions, fee increases, and overall revenue growth, revenues will begin to match expenses. In FY 2003-04, revenues should exceed expenses and the construction reserves will start to re-build to an adequate level. Seven positions are being eliminated in the construction programs.

After several years of significant growth, the Neighborhood Inspection program revenues are leveling off, a result of a more stable volume of citizen complaints about housing and nuisances. The program continues to have strong reserves. However, two positions are being eliminated as a result of decreased General Fund support. One additional position will be cut due to the reduction of Community Development Block grant funds.

The Land Use Review program's workload remains fairly stable and revenues are projected to increase moderately from proposed fee increases. The FY 2002-03 budgeted revenues include a fee increase of 5.1% for land use reviews and permits. One position is being eliminated as a result of diminishing General Fund revenues.

Strategic Direction

SIGNIFICANT ISSUES

Enforcement and Compliance Issues

OPDR will be completing the study of its enforcement and compliance activities in the first quarter of FY 2002-03. This study focuses on environmental regulations such as environmental zones, erosion control, stormwater control, trees and landscaping, and environmental soils. OPDR will bring recommendations to City Council early in FY 2002-03 that may change regulations, staffing, and program resources.

One of the most difficult issues that will need to be addressed in improving enforcement efforts for environmental and land use regulations is identifying a reliable and equitable funding source. Historically, the assumption has been made that building inspectors can conduct other inspections while they are on site. However, State law now restricts the use of construction permit fees to cover only the inspection of work approved under the State building code. Therefore the enforcement of planning and zoning regulations and other of regulations governing site development must be funded out of other local funds. OPDR staff has developed fees for erosion control inspections and stormwater inspections. The fees for zoning code compliance are not sufficient to cover the costs of enforcing the City's environmental zone regulations and all other requirements in Title 33. It is expected that the ESA enforcement study will produce a number of new recommendations for funding.

Regulatory Restraint

OPDR is the bureau which the City implements many of its regulatory initiatives. Examples include the new Land Division Code rewrite and ESA-related codes. The development-related ordinances City Council adopts are intended to ensure Portland maintains and improves its livability. However, the fiscal impact of implementing these new initiatives must be fully examined. The cost to both developers and the City needs to be clearly understood. Implementation timeframes need to be realistic so that procedures can be written and staff can be trained. The Blueprint 2000 recommendations asserted that decision-makers should exercise discipline in the adoption of policies and regulations, adding new regulations only when necessary.

MAJOR INITIATIVES

TRACS Computer Program

In FY 1999-00, OPDR implemented the TRACS computer program to record and track development services provided by City bureaus. TRACS serves as the City's project management, tracking, and reporting tool as requested through Blueprint 2000.

TRACS serves as the City's tracking and reporting tool for development review

In FY 2002-03, OPDR will do the following to enhance TRACS:

- ◆ Phase II-Self-help customer research center: More detailed TRACS information, code interpretations, submittal requirements, and application materials at multiple workstations in the DSC.
- ◆ Phase II-Enhance customer research materials available on the OPDR web site.
- ◆ Continued development of TRACS systems as business needs, regulatory activity and program development dictate.
- ◆ Pilot PDA devices integrated with TRACS for full project information availability in the field.

- ◆ Research feasibility of electronic plan mark up for streamlined plan review.

**Site Development/
Zoning Enforcement**

The City's responsibilities in environmental and zoning enforcement have expanded tremendously in the past several years. OPDR has taken on the responsibility of enforcing all the ESA-related codes, such as environmental zones, erosion control, stormwater control, trees and landscaping, and environmental soils. To respond to these changes, OPDR has been reviewing its enforcement processes through the ESA-enforcement study. Although the study is not completed, preliminary findings show that OPDR has related functions split into too many divisions. As a result, the Site Development, Environmental Soils, and Code Compliance sections have been combined into one division during a recent bureau reorganization, because these programs perform interrelated work.

The reorganization is designed to improve coordination, efficiency and communication regarding the application of zoning and site development standards related to development projects in the City. OPDR will re-evaluate its practices and adapt them to meet the current and expected challenges. FY 2002-03 goals include streamlining enforcement processes with accompanying support via code changes. Interagency coordination regarding approval and inspection of trees, landscaping and onsite stormwater treatment and disposal will be specifically addressed as well.

Program Innovations

The OPDR Development Review Advisory Committee has now charged OPDR with the task of developing other plan review and inspection programs based on the successful concepts pioneered under the Facilities Permits program. OPDR is researching a number of program concepts to improve plan review and permit processes for major commercial development.

Major Projects Group

The Major Projects Group will provide premium development review and inspection services to developers, designers and builders involved with major construction projects. OPDR will use phased permits, project management techniques, and active process management. As a result, the focus of the bureau's work will shift away from the issuance of a building permit at the beginning of the project as the pivotal process and towards focus on the authorization of occupancy at the end of the job.

An important factor of the Major Project Group program is the Early Start Procedures. The intent is to streamline and fast track the approval process for foundation and substructure work on commercial construction projects prior to the issuance of the regular building permit for the project. Being able to start work earlier - before the entire permit process has been completed - will greatly help developers, designers, and builders. Early Start Procedures may also be used independent of the Major Projects program if this need arises.

Expansion of Facility Permit Program

The Facility Permit program, now in its fourth year of operation, is a full-service program offering streamlined plan review, process management, permit and inspection services.

The Facility Permit program will be expanded due to significant increase in demand for these services

The program utilizes a team approach in the construction of interior tenant-improvement projects, primarily within institutional, industrial and office buildings where on-going improvements are frequent. There is a significant waiting list of facility owners who wish to sign up for the Facilities Permit program. The program will be expanded at the beginning of FY 2002-03 to accommodate this demand. This expansion will be implemented by transferring staff from other OPDR inspection programs.

Cross-training Commercial Plumbing Inspectors to take on Mechanical Workload

Greater efficiency and effectiveness will be made possible by cross-training and certifying commercial plumbing inspectors to make mechanical code inspections. In addition, this will provide the plumbing/heating and cooling industry with specialized inspection services.

On-line Special Inspections Administration

The first steps in putting special inspections paperwork into electronic format will be taken in FY2002-03. Effective and efficient applications of special inspection requirements is an important feature, especially on commercial construction projects. Streamlining this process will eliminate the potential for delays, especially at occupancy approval.

Enforcement and Compliance Study

OPDR will be continuing a study of its enforcement and compliance activities. Because the original funding was substantially provided by the ESA program, a key focus of the study is the enforcement of environmental provisions, such as e-zones, erosion control, stormwater control, trees and landscaping, and environmental soils. The preliminary scan of the issues has led to developing a unified site development permit to address all exterior development; to unifying the City's multiple provisions on tree preservation and planting; to providing adequate, consistent and effective enforcement tools; and to providing appropriate staffing and funding to accomplish the missions of these regulations. Some preliminary changes have been made in the bureau's organization and procedures. The continuing work will be developing staff procedures and public information, as well as providing ordinance changes and staffing and budget recommendations to City Council early in the fiscal year.

MANAGEMENT GOALS & OBJECTIVES**Long-Term Goals**

OPDR has the following long-term goals:

1. Continue to improve business processes throughout OPDR consistent with the goals of Blueprint 2000.
2. Test new ways of using technology to improve business processes and customer service.
3. Improve customer service through continued staff training and customer education.

Management Objectives

The bureau has the following objectives for FY 2002-03:

1. Create a Major Projects Group to focus on the review and inspection of large construction projects.
2. Continue to expand and improve the customer service work areas in the Development Service Center, putting more resources on-line for customers.
3. Test the use of scanned or electronic plan/permit submittals.
4. Focus business process improvements analysis on the Environmental Soils program, the Site Development program, Pre-application Conferences, and Final Plat Approval Process.
5. Perform a business analysis of Design Review processes.
6. Continue to implement the Council-adopted recommendations of the Noise Review Board and Noise Control Task Force.
7. Evaluate the newly-expanded OPDR web site to determine further improvements desired by customers.

8. Review revenues and fee structure for the Housing program to ensure an on-going and stable funding source.
9. Complete Code Maintenance 2000 and undertake additional refinements to City Code Title 33 and Title 32 under Code Maintenance 2002.
10. Complete the ESA Enforcement Study and implement revisions to City Code, OPDR policy and procedures, as well as staffing and organization adjustments identified by the study.

COUNCIL PRIORITIES

Issues and Priorities **Ensure Decent and Affordable Housing**

Strategy: Protect Existing Housing Stock

The Neighborhood Inspections Program works to preserve housing and thus encourage neighborhood vitality. Staff carries out this mission by requiring housing and adjacent property to meet the minimum standards contained in the City of Portland Property Maintenance Code.

Housing code enforcement contributes to neighborhood livability

Basic housing code enforcement ensures housing preservation by requiring property owners to make repairs to housing. This extends the structures' useful lives. Yard maintenance enforcement helps by making neighborhoods more livable and so encourages private investment in surrounding properties.

Strategy: Evaluate the Process and Regulations for Construction of Affordable Housing

Council adopted a framework that changes regulations for affordable housing construction.

As part of the Blueprint 2000 initiative, Council has adopted a process for a Policy Making Framework. The framework provides for a major change in the way City Council considers new policies regulating development. The outcomes supported by the framework are:

- ◆ City goals are clearly defined to assist balanced decision-making.
- ◆ Interpretation of codes is consistent with regulatory intent.
- ◆ The need for, effectiveness and impact of proposed regulations are analyzed prior to adoption.
- ◆ Decision makers exercise discipline in adoption of policies and regulations, adding new regulations only when necessary.

Build a Livable City Through Good Planning and Well-Managed Growth

Strategy: Implement Blueprint 2000

Blueprint 2000 concepts were adopted by City Council in two parts in April 1998 and January 1999. The goal of Blueprint 2000 is to

...create a system that presents a predictable, seamless delivery of City development review functions and provides a clear point of accountability for the performance of review responsibilities.

Promote Economic Vitality and Access to Quality Jobs for All

Strategy: Maintain Close Working Relationships With Industry Groups

OPDR staff meets regularly and works with many industry groups. The results from these regular interactions are varied and significant, from effects on the development of changing inspection procedures to cooperative efforts to change State or national code language.

The industry groups includes:

- ◆ Cascade Chapter of International Association of Plumbing and Mechanical Officials
- ◆ National Electrical Contractors Association
- ◆ Oregon Building Officials Association
- ◆ Oregon Mechanical Officials Association
- ◆ Oregon Refrigeration / Air Conditioning Contractors Association
- ◆ Oregon Remodelers Association
- ◆ Plumbers and Steamfitters Local 290
- ◆ Portland Plumbing/Heating/Cooling Contractors
- ◆ Tri-County Service Center

OPDR has invited members of these groups to participate in the bureau's personnel interviewing process and has enjoyed some access to the highly-developed training facilities of Local 48, Local 290, and I.E.C. of Oregon for plumbing and electrical inspection training classes.

Finally, OPDR has established the Joint Code Committee. The group is comprised of architects, engineers, commercial contractors, and facility managers meet monthly on policies and procedures that impact the design and construction of commercial buildings.

Ensure a Safe and Peaceful Community

Strategy: Upgrade All Fire Stations to Meet Seismic Code

OPDR has worked with the Fire Bureau to meet this strategy and Council priority. OPDR engineers meet with design engineers and provide direction and assistance throughout the design and permitting process. The bureau provides similar assistance to the Portland Public Schools on seismic upgrade projects.

Keep the Central City Vital

Strategy: Build Brewery Blocks Project

OPDR's plan review and inspection staff have worked with the developers, architects and contractors to move the project through the permit issuance and inspection processes expeditiously. This project will be an important addition to the Old Town area and its environs. City staff look forward to continuing to be supportive and positive in aiding this project's completion.

Build a Multi-Modal Transportation System

Strategy: Support Port of Portland Expansion of Cargo and Air Passage

OPDR has assigned a team of plan review and inspections staff to all Port of Portland expansion projects. This has resulted in enhanced coordination and problem solving.

Portland/Multnomah Benchmarks

*OPDR has adopted
performance measures for
permit and project tracking*

Percentage of Government Permits Issued Within the Target Time Period or Less Including Business Licenses, Building Permits, Water, Plumbing/Electrical/Heating & Ventilating, Parking, Street Use, and Conditional Use/Zoning/Variances (Benchmark #19)

OPDR has adopted performance measures to monitor turn-around times for permit review and issuance. TRACS, OPDR's computerized permit tracking system, has been programmed to ensure consistent monitoring of the performance goals.

OPDR has developed alternative programs for streamlining reviews. The Facilities Permit Program fast-tracks tenant remodeling projects in large commercial, industrial, and government facilities. Plan review is done on site and inspectors are available to do inspections at any time.

Percentage of Citizen Volunteers in a Government Advisory Capacity Who are Satisfied that Their Recommendations were Carefully and Respectfully Considered (Benchmark #77)

The bureau works with citizen volunteers on boards of appeals, policy advisory committees, and technical advisory committees.

OPDR has advisory groups for many of its programs and relies on these groups for advice and recommendations on program direction, code interpretation and operations.

Boards of Appeals: The bureau has four boards of appeals: Building Code Board of Appeals, Electrical Board of Appeals, HVAC Board of Appeals, and Plumbing Board of Appeals. These boards interpret City construction codes and determine if alternate construction methods and materials are suitable to provide equivalent fire and life safety protection. Members are representatives of their respective construction groups with experience in safe installations.

Policy Advisory Committees: OPDR has several policy advisory committees.

- ◆ Noise Review Board reviews noise variance applications and develops long-term objectives for reducing sound levels in the community. The members include citizens, a construction industry representative, and an acoustics professional.
- ◆ The Development Review Advisory Committee (DRAC) monitors OPDR operations, budget, and funding including the Development Services Center. Membership consists of thirteen members appointed by the commissioner-in-charge. The areas of interest of the members include construction contracting, design professions, neighborhood or business association membership, historic preservation, environmental organizations, and institutional properties.

Land Use Review Commissions: The bureau is responsible for staffing two land use review bodies.

- ◆ The Design Commission provides leadership and expertise on urban design and architecture to maintain and enhance Portland's historical and architectural heritage. It acts on design reviews assigned to recommend establishing, amending or removing design districts, develop design guidelines and review major developments within design districts.
- ◆ The Historic Landmarks Commission provides leadership and expertise to maintain and enhance Portland's historic and architectural heritage. The Commission identifies and protects buildings and other properties with historic or cultural significance or special architectural merit.

Technical Advisory Committees: OPDR has three technical advisory committees.

- ◆ The Advisory Board for Special Inspections advises OPDR about the Special Inspection program and examinations. Members include a structural engineer, an architect, a testing laboratory representative and a Class A Special Inspector.
- ◆ The Structural Engineering Advisory Board made up of licensed structural engineers advises OPDR about the suitability of proposed alternate structural designs for buildings and structures.
- ◆ The Facilities Permit Program Industry Advisory Group advises OPDR on the operation, finances and policies of the Facilities Permit Program.

Percentage of Emergency Services Agencies with Emergency Response Procedures in Place that are Regularly Exercised and Updated per Federal Standards (Benchmark # 97)

OPDR trains employees for emergency response and develops plans for disaster mitigation.

The Office of Planning and Development Review is responsible for assessing damage to buildings in the event of a major disaster. OPDR has written an appendix for the City's Emergency Management Operations manual.

Training: OPDR trains and exercises employees in the Incident Command System and the Applied Technology Council Report No. 20, Procedures for Post Earthquake Safety Evaluation of Buildings (ATC 20). OPDR staff periodically provide training in damage assessment to other agencies and institutions.

Disaster Mitigation: In addition to training, OPDR invests time and resources in disaster mitigation. Bureau staff participate in the code writing process at the regional, state, and national levels, because well-conceived and well-enforced building codes are an important part of disaster mitigation.

OPDR's Site Development Section deals with geotechnical issues, including landslides, flood plain management, erosion control and grading and clearing of land.

Pre-Event Planning: Bureau staff continue to work with the Portland Office of Emergency Management, the Regional Incident Command Steering Committee, the Building Codes Division, the Oregon Office of Emergency Management and professional associations in the development of response plans and procedures for disasters in Oregon.

Overview of Programs

ADMINISTRATION PROGRAM

The Administration program provides overall direction to the bureau so all program objectives are met. This program contains the general management and clerical support staff for the bureau.

Administration is responsible for most central bureau functions

Included within this program's budget are the Office of the Director, budget, finance, personnel, training, code development, communications, loss control /risk management, general reception, and office management.

The Administration program is charged with ensuring not only that services are available on a daily basis, but also that bureau functions comply with City, State and Federal requirements. The administrative staff also works on an on-going basis to streamline office operations and develop proposals for improving work flow and methods.

The Information Technology program assures that appropriate technical tools are developed and maintained to support critical business systems. The Desktop Support team maintains all hardware including desktop PC's, servers, personal data assistants, laptops, printers, scanners and MS operating systems. The TRACS business team designs, tests, and creates business-driven changes to the TRACS application including building permits, case-tracking files, IVR and GIS.

COMMERCIAL INSPECTIONS PROGRAM

The Commercial Inspections program performs State-mandated construction inspections on industrial, commercial, and multi-family construction projects in Portland and the urban services area of Multnomah County.

The inspections provided under this program ensure compliance with the State's structural, mechanical, plumbing, and electrical codes. Inspections are also carried out to determine compliance with the City's sign, planning, zoning and site development codes requirements. Inspectors respond also to citizen and industry inquiries and complaints concerning construction and site-related issues.

The Commercial Inspections program is composed of several sections. These are: Structural/Mechanical, Electrical, Plumbing, Facility Permit program and Special Inspections.

**Structural /
Mechanical Section**

Structural/Mechanical inspectors check foundations, framing, mechanical systems, flooring and roof systems and myriad details of a wide variety of construction types. Inspectors also respond to citizen and industry inquiries and complaints concerning construction and site related issues.

Electrical Section	The Commercial Electrical Inspection section performs commercial electrical inspections and conducts plan review of commercial electrical work. Electrical inspectors also inspect certain industrial locations under the Master Electrical Permit Program. This program allows a greater degree of autonomy for the building owners in this program. Also, unlisted electrical equipment is inspected by electrical inspectors in industrial/commercial locations. Electrical inspectors also conduct licensing checks to ensure that all electrical installers are appropriately licensed by the State of Oregon to do the work. The Sign Inspection program is also conducted by the Commercial Electrical Section.
Plumbing Section	Plan review and inspection of commercial plumbing projects is carried out by the Commercial Plumbing Inspection section. Senior inspectors review plans for compliance with the Oregon Plumbing Specialty Code. Inspectors check contractors for proper licensing and the correct installation, repair and construction of plumbing, stormwater and sanitary sewer systems. Inspectors also monitor their areas for work done without permit or without correct permits. Plumbing inspectors also conduct licensing checks to ensure that all plumbing installers are appropriately licensed to do the work.
Facility Permit Program	The Facility Permit program, now in its fourth year of operation, is a full-service program offering streamlined plan review, process management, permit and inspection services. The program utilizes a team approach in the construction of interior tenant-improvement projects, primarily within institutional, industrial and office buildings where on-going improvements are frequent.
Special Inspections Section	Special Inspections is a system established in the building code of private sector inspectors who inspect specific technical components of construction that require on-going inspection, such as post-tensioning of structures and placement of structural concrete. Engineers and specially trained personnel are authorized to do this work. The Special Inspection section certifies special inspectors and makes sure that only certified inspectors do required inspections. Special Inspections also reviews the special inspection programs set up for a specific construction project to make sure it is code compliant. Furthermore, Special Inspections certifies and inspects testing/inspection agencies and structural fabricators. Special Inspections staff coordinate special inspection matters at pre-construction meetings with designers and contractors. Structural observation requirements are also managed by the section.
Site Development	The Site Development program work includes plan review for geotechnical, floodplain, grading, private street and site preparation issues as well as onsite stormwater treatment/disposal and erosion control requirements on private property. Staff reviews all land use cases identifying any land suitability issues and conditions. Field staff perform all related inspections including those required by the Stormwater Manual, enhanced landscaping and tree requirements for Titles 20 and 33 and all required erosion control measures.

CODE COMPLIANCE PROGRAM

Code Compliance The Code Compliance program processes code violation cases and enforces the City's Zoning code. Program staff inspect and approve zoning permits and assure compliance with Title 33 property development standards. This program administers home occupation permits as well. This program enforces structural, mechanical, plumbing and electrical code violation cases, including preparing and presenting code violation cases at code hearings as necessary. The Code Compliance section reviews and approves assessment of code enforcement fees on active violation cases. Approximately 300 properties are assessed enforcement fees annually.

Code Hearings Office OPDR funds a portion of the Code Hearings Office program through an interagency agreement. With code violation cases, nuisance abatement appeals, and violation fee appeals, approximately one quarter of the code hearings activity is due to the Office of Planning and Development Review's actions. The interagency support allows the bureau to continue a high level of compliance effort.

Program Improvements OPDR's recent consolidation of the Site Development and Code Compliance programs is designed to improve coordination, efficiency and communication regarding the application of zoning and site development standards related to development projects in the City. FY 2002-03 goals include streamlining of enforcement processes with accompanying support via code changes. Interagency coordination regarding approval and inspection of trees, landscaping and onsite stormwater treatment and disposal will be specifically addressed as well.

COMBINATION INSPECTIONS PROGRAM

Portland is one of the first major cities to develop a comprehensive combination inspection program

The Combination Inspections program administers the Oregon One and Two Family Dwelling Code. In this program, all inspectors eventually will be able to make inspections in all four specialties: structural, mechanical, plumbing, and electrical. This approach will save contractors time and money in scheduling inspections. It will also allow the City to make more inspections with fewer staff.

The section's training program requires many hours of both classroom and field instruction, requiring a considerable investment in staffing to cover requested inspections. In spite of the resources needed, other jurisdictions have recognized the quality of Portland's training program and are using it as a model.

Inspectors with multiple certification cover 50% more inspection calls

The multiple certification approach to residential inspections has already shown its potential value to the City. Inspectors that have all four certifications are able to cover 50% more inspection calls than inspectors with only one certification. The Combination Inspections program also continues to strengthen its relationship with the building industry.

LAND USE REVIEW PROGRAM

OPDR'S Land Use Review program is responsible for implementing the goals and policies of the City's Comprehensive Plan, including neighborhood and community plans such as the Central City Plan and Albina Community Plan. This is done specifically through administering the Portland Zoning Code (Title 33 of the City Code) which now includes the city's Land Division Code, Metro's Functional Plan and Oregon State Land Use goals.

The Land Use Review program is divided into three main functional areas: planning and zoning, case review, and records management.

Planning and Zoning

The planning and zoning group provides public information in person, in writing, by phone and provides non-discretionary review of building permits to ensure conformance with Title 33.

Planning and Zoning staff partner with the Development Services Center to provide assistance and are an integral part of providing building permit reviews in a timely manner. The staff reviews over 5,000 building permits a year and serves approximately 30,000 people.

Case Review

This group is responsible for review and recommendation on quasi-judicial land use reviews as specified by Title 33 and Title 34. All of these discretionary reviews require public notice and a request for public input.

Appeal processing for land use reviews

Some reviews are administrative decisions with no local appeal, some are appealed to a citizen committee/commission or the Land Use Hearings Officer, and some require a public hearing and allow appeal to the City Council. All reviews involve receiving a response from the City's technical and service agencies as they relate to the development proposal.

The case review planners also provide coordination and support for the City's Adjustment Committee, Historic Landmarks Commission and Design Commission. This group processes a yearly average of 880 land use review cases, all of which have deadlines mandated by Title 33, Title 34 and Oregon State Law.

Records Management

The records management staff provide support for the legally-mandated record-keeping and public notice functions related to land use reviews. In addition to providing numerous planner and public support functions, staff provide technical assistance in preparing forms, templates, Power-Point presentations, and informational documents for the public and appeal hearings. The program also provides secretarial support for the Adjustment Committee, Historical Landmarks Commission, and Design Commission.

NEIGHBORHOOD INSPECTIONS PROGRAM

The mission of the Neighborhood Inspections program is to protect life, health, and property, to preserve housing, and to encourage vital neighborhoods. Staff carry out this mission by requiring housing and property to meet minimum standards and by removing dangerous buildings.

Program staff work regularly with neighborhood groups

Over the last five years the program has increased its presence in neighborhoods. Staff collaborate regularly with neighborhood emergency response teams, social service agencies such as Aging Services, neighborhood groups such as Hope and Hard Work in inner Northeast, and non-profit housing organizations.

Basic Housing Code Enforcement

Ensuring safe housing for citizens at all income levels is the heart of this section's functions. The program is primarily complaint-based, but there are three target neighborhoods where federal funding allows pro-active inspections of all rental housing.

Dangerous Building Code Enforcement	The dangerous building code covers both residential and commercial properties. The work under this program ensures the safety of the general public by requiring owners of buildings that meet criteria as "dangerous" to either repair or demolish the building.
At Risk Multi-Family Structures	There is a need for Neighborhood Inspections to increase its inspection of older multi-family structures to ensure these buildings meet minimum safety requirements. However, budget constraints will prevent this from occurring. These inspections will continue at current levels.
Nuisances and Illegal Dumps	<p>The nuisance code addresses basic neighborhood vitality issues such as trash and garbage in yards, auto and appliance parts, junk cars, and overgrown vegetation. Some nuisances are immediate health and safety hazards, such as garbage and materials that could harbor rats, and vegetation that can obstruct traffic or fire personnel.</p> <p>In the illegal dumping program, staff respond to reports of dumps by cleaning up the dump and not billing the property owner. This is an important service with minimal cost; dumps on occupied residential property are a higher priority.</p>
Noise	The Noise Control Officer investigates noise complaints, enforces Title 18 (Noise Code), reviews and issues short-term noise variances, provides staff assistance to the Noise Review Board, makes recommendations on major noise variance applications, and consults with City bureaus on technical noise issues.

DEVELOPMENT SERVICES PROGRAM

The Development Services staff manage the flow of the permitting process from early assistance for customers planning their project to maintaining the records for completed projects. The work is divided into three work areas: Resource Records and Trade Permits, Document Services, and Process Management.

Resource Records and Trade Permits	Resource Records and Trade Permits staff are responsible for maintaining historical building permit records and assisting both the public and other City staff in accessing those records. The same staff also review and issue plumbing, electrical, mechanical and sign permits.
Document Services	Document Services staff are responsible for intake and initial checks for completeness of building permit applications, assignment of projects to technical reviewers, tracking of the reviews, and issuance of the permits once the reviews are completed.
Process Management	<p><i>Process managers help applicants get projects through the approval process</i></p> <p>Large and complex projects are assigned a process manager to guide them through the permitting process. Services may include assisting customers early in project planning, being the single point of contact for applicants, taking the lead on resolving any conflicts among reviewers regarding requirements, identifying potential problems and their resolutions, working with applicants and City staff to establish project timelines, and tracking the project to see that deadlines are met.</p>

PLAN REVIEW PROGRAM

The Plan Review program reviews and approves building and mechanical permits for residential and commercial structures. Staff are located in the Development Services Center on the second and the fifth floor of the 1900 Building.

Fire and Life Safety Section

Plans examiners review building projects for, and provide general information on life safety, energy conservation, accessibility and related building issues. They assist permit applicants in interpreting and applying the codes and understanding the review process. They work effectively and efficiently to review and approve building and mechanical permits for both residential and commercial structures, within a timeframe that is acceptable to the development community. In addition to reviewing plans taken into the system, they provide service at the Development Services counter and answer general building code questions.

Engineering Section

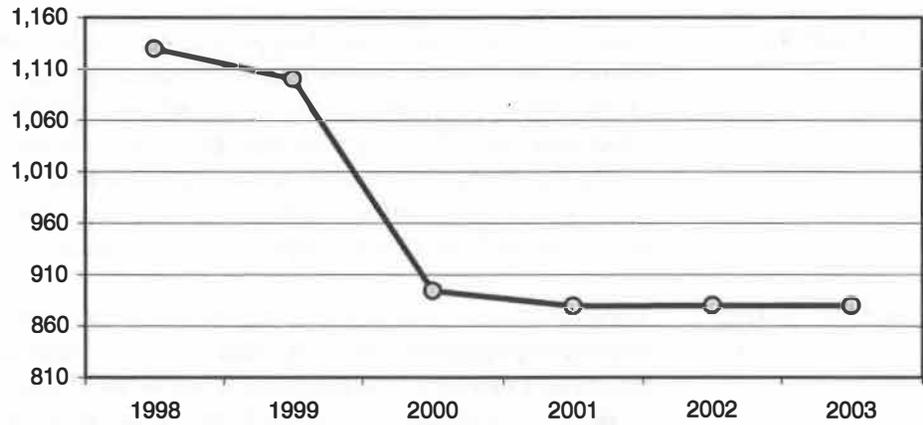
Engineers review building and mechanical plans to determine code compliance with engineering requirements of the State and City Codes for both residential and commercial/industrial structures. The engineers examine plans and calculations to ensure that structural systems can withstand all imposed vertical and horizontal forces as well as any dynamic forces generated by wind and/or seismic events.

Both plans examiners and engineers attend preliminary meetings with customers and provide counter coverage in the Development Services Center to review smaller commercial and residential building projects. In addition, they intake plans for new one and two family dwellings by appointment.

Performance Measures

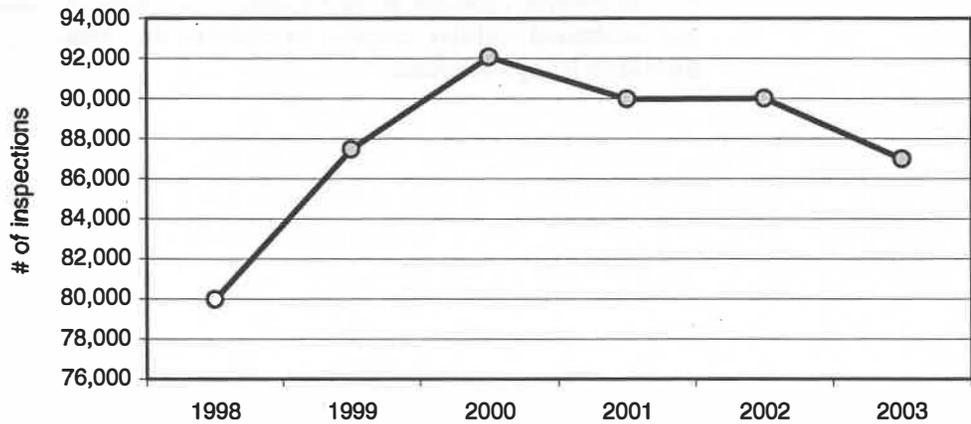
Land Use Reviews Processed

- ◆ The number of cases processed is projected to stabilize.



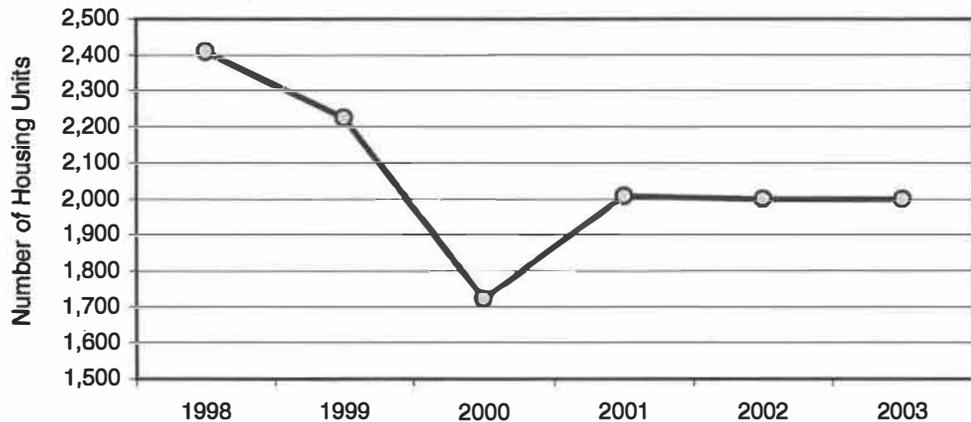
Commercial Inspections

- ◆ The number rose dramatically in 1999 because of the increased number of building permits issued.
- ◆ Inspections have decreased due to the economic slowdown.

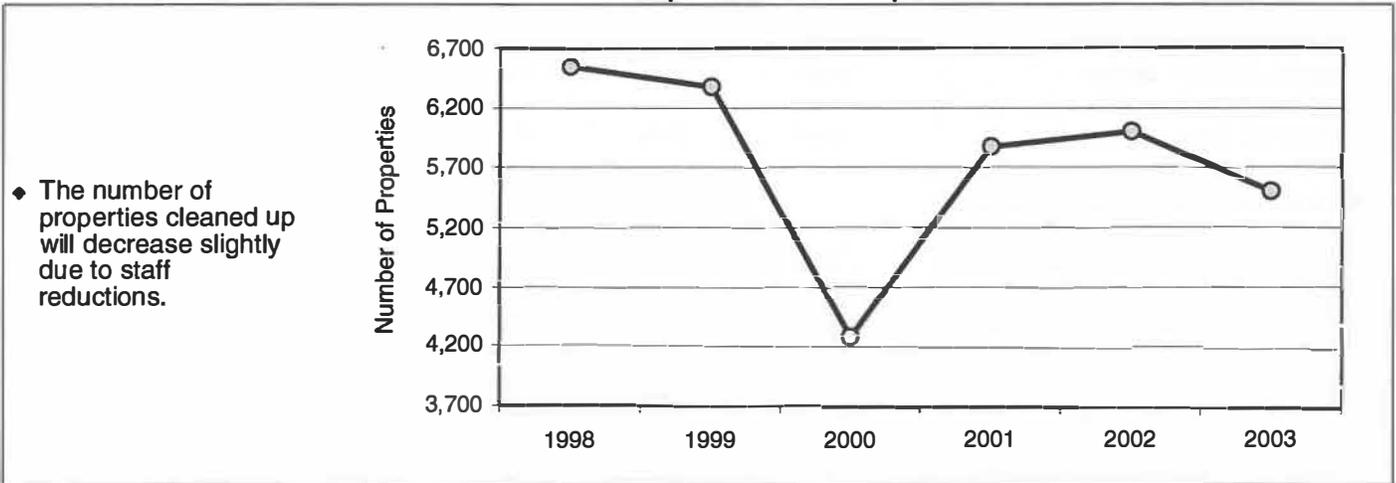


Housing Units Brought Up To Code

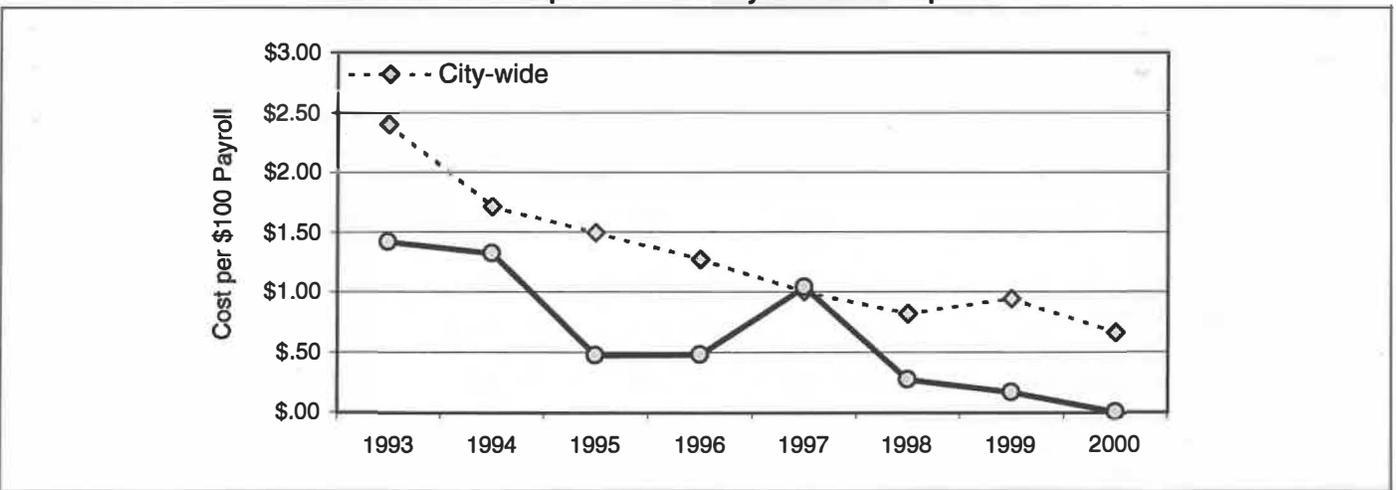
- ◆ The number of housing units brought up to code has been relatively stable and will remain so as long as funding is stable.



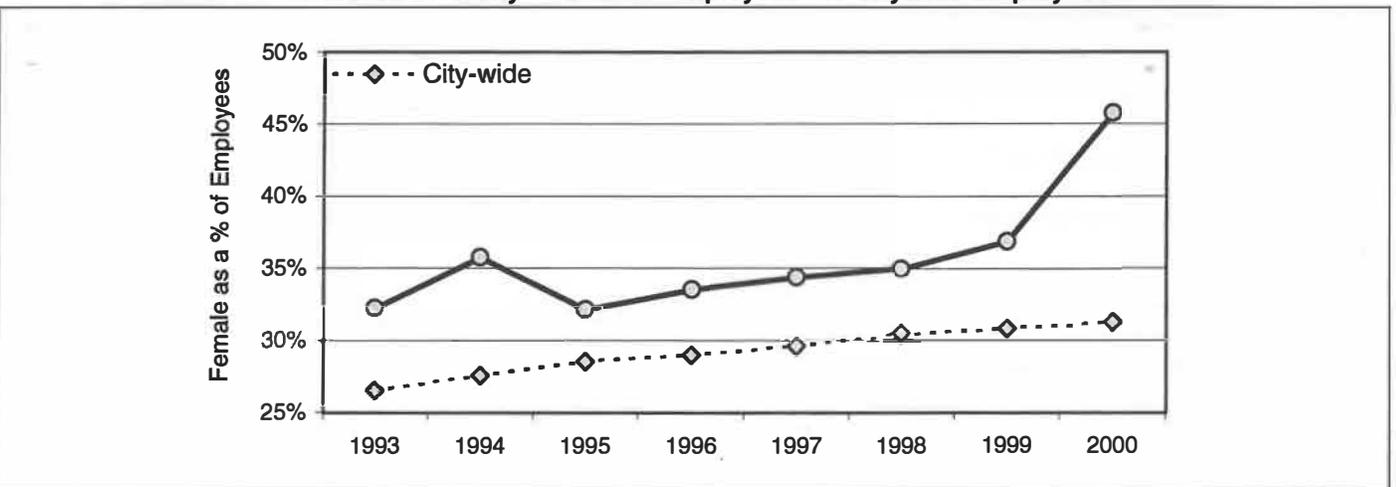
Number of Properties Cleaned Up



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF PLANNING AND DEVELOPMENT REVIEW						
Affirmative Action Measures						
Affirmative Action - Minority	10.8%	12.4%	12.9%	13.6%	13.2%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	36.3%	44.4%	45.7%	46.7%	47.1%	
Female Employees as a Percent of Total						
Office of Planning and Development Review						
Risk Data						
General Liability Claims per 200,000 Hours Worked	13.62	13.41	10.32	11.70		
Worker's Comp Claims per 200,000 Hours Worked	11.35	6.15	6.71	5.66		
Fleet Claims per 100,000 Miles Driven	0.99	0.44	1.43	0.40		
Fleet Claims Cost per 100,000 Miles Driven	\$1,619	\$695	\$3,630	\$800		
General Liability Claims Cost per \$100 Payroll	\$0.24	\$0.35	\$4.65	\$0.16		
Worker's Comp Claims Cost per \$100 Payroll	\$1.04	\$0.27	\$0.16	\$0.92		
Land Use Review Program						
Workload						
Land Use Reviews Processed	1,130	1,100	894	879	880	880
Plan Checks Processed	5,000	4,860	5,161	5,041	5,000	5,000
Effectiveness						
Cases Created in Legal Time Frame	98%	98%	98%	99%	99%	100%
Effectiveness						
Calls returned w/in 24 hours	98%	98%	99%	99%	99%	100%
Code Compliance Program						
Workload						
Enforcement cases prepared and presented to Code Hearings Officer	153	82	55	28	40	50
Planning & zoning violation cases	1,195	1,603	1,590	1,670	1,500	1,500
Home occupation permits	150	131	135	135	140	150
Number of properties assessed code enforcement fees	287	290	256	350	375	400
Combination Inspections Program						
Workload						
Residential Inspections	95,773	90,000	87,894	86,255	90,000	90,000
Effectiveness						
Number of inspections per day, per inspector	15.10	15.18	15.64	14.76	15.00	15.00
Percent of inspections made within 24 hours of request	94%	96%	98%	98%	98%	98%
Efficiency						
Number of inspection trips reduced due to "multi-hatted" inspectors	23,791	35,000	34,100	35,610	36,000	36,000
Commercial Inspections Program						
Workload						
Commercial Inspections	79,980	87,470	92,076	89,959	90,000	87,000
Effectiveness						
Number of inspections per day, per inspector	14	15	16	14	14	14
Percent of inspections made within 24 hours of request	96%	97%	97%	93%	97%	97%

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Neighborhood Inspections Program						
Workload						
Noise violation inspections	1,881	2,081	1,920	1,007	1,100	1,200
Housing/derelect buildings inspections	10,086	9,557	8,075	7,413	7,500	7,500
Nuisance inspections	16,555	16,815	13,270	18,103	18,000	18,000
Noise variances processed	355	326	389	405	425	450
Effectiveness						
Number of housing units brought up to code as a result of Neighborhood Inspection Division efforts	2,409	2,225	1,722	2,008	2,000	2,000
Number of properties cleaned up	6,539	6,373	4,276	5,877	6,000	5,500
Plan Review Program						
Effectiveness						
Percent of simple residential plans reviewed within 15 working days	n/a	n/a	n/a	94%	100%	100%
Effectiveness						
Percentage of commercial plans reviewed within 20 working days	n/a	n/a	n/a	91%	100%	100%
Efficiency						
Average number plan review days for first plan review of new single family residences	38	19	15	N/A	N/A	N/A
Development Services Program						
Workload						
Building Permits - Commercial	4,089	3,746	3,628	3,450	3,000	3,000
Building Permits - Residential	4,153	4,128	4,390	4,968	4,500	4,500
Electrical Permits	16,712	17,903	19,219	14,619	14,000	14,000
Plumbing Permits	18,104	15,865	10,895	9,279	9,000	9,000
Sign Permits	1,346	1,240	979	1,006	1,000	1,000
Mechanical Permits	8,991	9,586	8,880	8,625	8,000	8,000
Efficiency						
Percentage of building permits issued over the counter within 15 working days	N/A	N/A	N/A	66%	66%	66%

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	19,081,587	19,668,893	21,263,694	21,503,401	21,503,401
External Materials and Services	2,271,973	1,672,452	2,428,841	2,232,521	2,232,521
Internal Materials and Services	5,191,538	4,928,530	5,831,318	5,534,717	5,552,292
Minor Capital Outlay	0	0	296,560	11,861	11,861
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	26,545,098	26,269,875	29,820,413	29,282,500	29,300,075
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 26,545,098	\$ 26,269,875	\$ 29,820,413	\$ 29,282,500	\$ 29,300,075
Allocated Overhead	835,871	818,671	648,044	656,365	686,045
Total Cost with Allocated Overhead	27,380,969	27,088,546	30,468,457	29,938,865	29,986,120
RESOURCES					
Discretionary Revenues					
General Fund	3,028,905	3,500,174	3,329,443	2,129,886	2,129,886
Total Discretionary Revenues	3,028,905	3,500,174	3,329,443	2,129,886	2,129,886
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
General Reserve Fund	179,997	0	0	0	454,000
Interagency Agreements	409,687	585,720	519,810	354,924	354,924
Cash Transfers	229,912	236,529	133,785	262,490	262,490
Bureau Program Revenue	22,594,174	21,886,190	25,748,984	26,535,200	26,098,775
Overhead Revenue	102,423	61,262	88,391	0	0
Total Non-Discretionary Revenues	23,516,193	22,769,701	26,490,970	27,152,614	27,170,189
TOTAL RESOURCES	26,545,098	\$ 26,269,875	\$ 29,820,413	\$ 29,282,500	\$ 29,300,075
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Land Use Review Program	4,237,790	4,418,584	5,098,777	5,149,904	5,159,334
<i>Positions</i>	61	61	61	60	60
Administration Program	5,531,434	4,784,422	6,141,300	5,662,521	5,662,521
<i>Positions</i>	31	32	26	25	25
Code Compliance Program	697,154	654,309	674,020	702,770	702,770
<i>Positions</i>	10	10	9	9	9
Combination Inspections Program	3,619,641	3,405,917	3,510,701	3,466,445	3,466,445
<i>Positions</i>	46	43	42	41	41
Commercial Inspections Program	4,416,572	4,739,072	4,995,757	5,007,415	5,008,487
<i>Positions</i>	58	59	60	58	58
Neighborhood Inspections Program	2,559,062	2,652,372	3,122,436	3,008,401	3,008,401
<i>Positions</i>	32	34	34	31	31
Plan Review Program	2,596,406	2,470,209	2,739,733	2,781,281	2,782,781
<i>Positions</i>	29	30	32	30	30
Development Services Program	2,887,039	3,144,990	3,537,689	3,503,763	3,509,336
<i>Positions</i>	33	34	34	33	33
TOTAL PROGRAMS	\$ 26,545,098	\$ 26,269,875	\$ 29,820,413	\$ 29,282,500	\$ 29,300,075
<i>Positions</i>	299	302	297	286	286
<i>General Fund Discretionary Positions</i>	35	36	36	33	33

Office of Planning and Development Review AU 520

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	11,281,038	11,641,399	14,905,326	15,059,852	15,059,852
512000 Part-Time Employees	289,272	292,542	397,631	401,765	401,765
514000 Overtime	406,644	343,825	380,520	391,176	391,176
515000 Premium Pay	29,142	40,912	40,644	41,782	41,782
517000 Benefits	5,044,075	5,154,629	5,539,573	5,608,826	5,608,826
518000 Paid Absence	2,031,416	2,195,586	0	0	0
Total Personnel Services	19,081,587	19,668,893	21,263,694	21,503,401	21,503,401
Materials and Services					
External Materials and Services					
521000 Professional Services	773,171	234,790	535,390	356,070	356,070
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	170,480	127,632	195,739	186,303	186,303
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	553,259	557,827	451,895	461,618	461,618
531000 Office Supplies	48,513	39,956	76,533	78,520	78,520
532000 Operating Supplies	130,488	75,287	163,199	167,444	167,444
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	288,018	295,991	502,192	471,243	471,243
535000 Clothing & Uniforms	8,592	8,395	9,857	9,611	9,611
539000 Other Commodities External	6,207	5,888	6,189	6,349	6,349
541000 Education	60,987	77,749	110,472	111,840	111,840
542000 Local Travel	104,451	162,657	160,715	164,895	164,895
543000 Out-of-Town Travel	26,509	21,366	49,828	47,459	47,459
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	17,233	2,055	10,054	10,316	10,316
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	84,065	62,859	156,778	160,853	160,853
Total External Materials and Services	2,271,973	1,672,452	2,428,841	2,232,521	2,232,521
Internal Materials and Services					
551000 Fleet Services	357,853	360,786	318,215	289,186	289,186
552000 Printing & Distribution	433,228	454,065	538,971	498,172	498,172
553000 Facilities Services	2,341,606	2,263,337	2,264,707	2,245,223	2,245,223
554000 Communications Services	363,178	380,892	430,202	436,830	436,830
555000 Data Processing Services	450,970	214,734	613,798	808,025	808,025
556000 Insurance	608,089	664,696	668,418	524,200	524,200
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	636,614	590,020	997,007	733,081	750,656
Total Internal Materials and Services	5,191,538	4,928,530	5,831,318	5,534,717	5,552,292
Total Materials and Services	7,463,511	6,600,982	8,260,159	7,767,238	7,784,813
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	296,560	11,861	11,861
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	296,560	11,861	11,861
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 26,545,098	\$ 26,269,875	\$ 29,820,413	\$ 29,282,500	\$ 29,300,075

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	3	3	3	133,479	3	139,808	3	139,808
926	Administrative Services Manager	2	1	1	71,594	1	73,936	1	73,936
815	Administrative Specialist	2	0	0	0	0	0	0	0
920	Administrative Supervisor I	3	4	4	204,296	4	213,485	4	213,485
922	Administrative Supervisor II	1	1	1	52,083	1	60,677	1	60,677
2531	Applications Analyst I	1	1	1	51,210	1	58,875	1	58,875
2532	Applications Analyst II	1	1	2	95,822	2	107,382	2	107,382
2534	Applications Analyst IV	1	1	1	59,925	1	65,584	1	65,584
826	Assistant Financial Analyst	1	1	1	52,132	1	55,234	1	55,234
962	Assistant Program Specialist	2	1	1	53,810	1	55,583	1	55,583
3228	Associate Planner	3	4	6	227,384	6	240,840	6	240,840
2143	Building Inspection Manager	2	2	2	162,888	2	174,834	2	174,834
2140	Building Inspector	20	13	12	648,262	11	618,553	11	618,553
2141	Building Inspector, Senior	3	6	7	413,225	7	427,321	7	427,321
928	Bureau Administrative Manager	0	1	1	72,842	1	79,596	1	79,596
3236	Chief Planner	1	1	1	74,058	1	79,595	1	79,595
114	Clerical Specialist	1	0	0	0	0	0	0	0
2202	Code Specialist II	6	7	6	241,790	6	259,957	6	259,957
2204	Code Specialist III	2	1	1	42,931	1	42,505	1	42,505
2127	Combination Inspector	16	19	22	1,246,074	21	1,233,435	21	1,233,435
2128	Combination Inspector, Senior	4	4	4	238,284	4	246,132	4	246,132
7492	Community Relations Specialist	1	1	1	52,319	1	54,055	1	54,055
131	Customer Accounts Specialist I	0	0	2	57,585	2	65,133	2	65,133
2122	Electrical Inspector	11	10	7	370,611	6	330,366	6	330,366
2124	Electrical Inspector, Senior	3	4	4	237,342	4	243,941	4	243,941
3164	Engineer	6	7	8	533,196	8	557,274	8	557,274
3153	Engineering Associate	2	2	2	120,459	2	121,356	2	121,356
2105	Environmental Soils Inspector	2	2	1	53,310	1	55,061	1	55,061
2106	Environmental Soils Inspector Sr	1	1	1	59,571	1	61,533	1	61,533
2210	Field Representative	1	0	0	0	0	0	0	0
827	Financial Analyst	0	0	1	53,144	1	54,894	1	54,894
3270	Graphics Illustrator I	0	1	1	32,573	1	32,698	1	32,698
2135	Housing Inspector	13	13	10	456,705	8	366,816	8	366,816
2136	Housing Inspector, Senior	0	0	3	133,161	3	165,183	3	165,183
2541	Information Systems Analyst I	2	1	0	0	0	0	0	0
2542	Information Systems Analyst II	2	3	1	47,753	0	0	0	0
2543	Information Systems Analyst III	0	1	0	0	0	0	0	0
2544	Information Systems Analyst IV	1	1	0	0	0	0	0	0
2138	Inspection Supervisor I	3	3	3	181,763	3	184,113	3	184,113
2139	Inspection Supervisor II	5	6	6	407,118	6	425,901	6	425,901
3225	Land Use Review Supervisor	0	2	2	120,764	2	124,738	2	124,738
3226	Land Use Review Supervisor	1	2	3	169,770	3	204,924	3	204,924
2150	Noise Control Officer	1	1	1	56,540	1	58,403	1	58,403
100	Office Support Specialist I	9	7	6	180,322	6	186,955	6	186,955
102	Office Support Specialist II	20	22	20	633,992	19	650,178	19	650,178
104	Office Support Specialist III	5	8	8	318,950	8	329,089	8	329,089
106	Office Support Specialist, Lead	1	1	1	40,498	1	41,823	1	41,823
3222	Permit Center Supervisor	1	0	0	0	0	0	0	0
3224	Plan Review Manager	2	2	2	151,674	1	81,975	1	81,975
3223	Plan Review Supervisor	1	2	2	129,806	2	136,618	2	136,618
3229	Planner	29	28	27	1,242,501	26	1,232,405	26	1,232,405
2145	Planning & Devel Review Director	1	1	1	104,832	1	108,284	1	108,284
3221	Plans Examiner, Commercial	19	16	16	859,097	15	854,567	15	854,567
2110	Plumbing Inspector	11	9	9	484,179	9	501,362	9	501,362
2111	Plumbing Inspector, Senior	3	3	3	178,713	3	184,599	3	184,599
966	Program Coordinator	3	3	2	117,019	2	123,150	2	123,150
968	Program Manager I	4	2	2	124,197	2	128,308	2	128,308
972	Program Manager IV	1	2	2	170,768	2	176,394	2	176,394
964	Program Specialist	0	0	1	50,502	1	52,158	1	52,158
816	Senior Administrative Specialist	5	6	7	241,255	7	273,904	7	273,904
930	Senior Bureau Administrative Mgr	1	0	0	0	0	0	0	0
3166	Senior Engineer	2	2	2	146,474	2	151,296	2	151,296
3163	Senior Engineering Associate	3	1	1	61,381	1	63,413	1	63,413
828	Senior Financial Analyst	1	1	1	64,750	1	66,884	1	66,884
612	Senior Human Resources Analyst	2	1	0	0	0	0	0	0
2552	Senior Information Systems Mgr	1	1	0	0	0	0	0	0
952	Senior Management Analyst	0	1	1	50,502	1	58,182	1	58,182
3231	Senior Planner	10	12	12	651,729	12	691,450	12	691,450
2120	Sign Inspector	2	2	2	106,620	2	110,122	2	110,122

Office of Planning and Development Review AU 520

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
2160	Site Development Inspector	2	2	2	106,620	2	110,122	2	110,122
2158	Site Development Inspector I	0	0	1	44,387	1	45,852	1	45,852
900	Staff Assistant	2	1	1	26,499	1	27,374	1	27,374
3107	Technician I	19	17	16	614,125	15	572,172	15	572,172
3108	Technician II	9	11	10	438,879	10	469,877	10	469,877
3109	Technician III	0	5	5	279,282	5	291,618	5	291,618
TOTAL FULL-TIME POSITIONS		299	302	297	\$ 14,905,326	286	\$ 15,059,852	286	\$ 15,059,852

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	29,575,310	0	29,575,310	289.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(244,916)	0	(244,916)	(3.0)	7% Reduction
	(150,000)	0	(150,000)	0.0	Interagency Savings
	(370,000)	0	(370,000)	0.0	Increase Housing Inspection Fines
	(250,000)	0	(250,000)	0.0	Increase Land Use Review Fees
	(354,000)	0	(354,000)	0.0	Decrease GF Support for Liens collections
	325,000	0	325,000	0.0	I/A with LID for Lien collections
	724,000	0	724,000	0.0	Increase fees to offset GF Reduction
	(926)	0	(926)	0.0	I/A Reduction Fire Bureau
	(231)	0	(231)	0.0	I/A Reduction Parks Bureau
	(1,853)	0	(1,853)	0.0	I/A Reduction BES
	(1,853)	0	(1,853)	0.0	I/A Reduction BES
	(231)	0	(231)	0.0	I/A Reduction Transportation
	50,000	0	50,000	0.0	I/A Reduction Water
	(100,000)	0	(100,000)	0.0	Cash Transfer Adjustment (OSD)
	82,200	0	82,200	0.0	Vehicle Services Rebate
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	17,575	0	17,575	0.0	Coppea Adjustment
	(275,235)	0	(275,235)	(3.0)	Total FY 2002-03 Decision Packages
			\$ 29,300,075	286.0	Total Adopted Budget
FY 2002-03 Reduction Packages Not Accepted					
	(50,000)	0	(50,000)	0.0	Billing Efficiencies
	(227,500)	0	(227,500)	2.5	Vacant Planner positions
			\$ (277,500)	2.5	Total Reduction Packages Not Accepted

Cable Communications and Franchise Management

Community Development Service Area

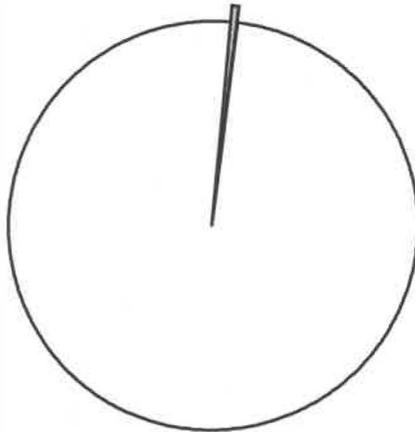
Erik Sten, Commissioner-in-Charge

David Olson, Director

Percent of General Fund

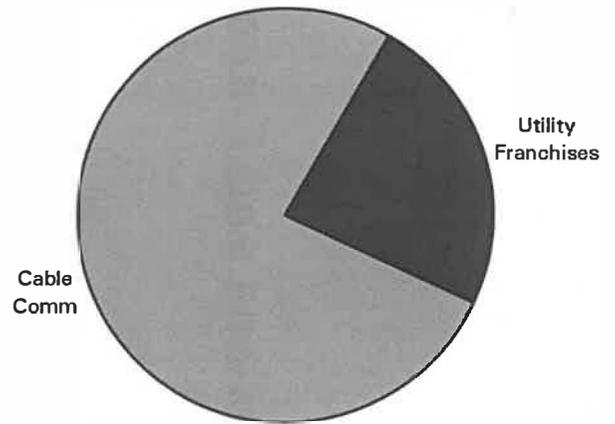
Cable & Franchise Mngmt = \$1.7 Million

0.5%



General Fund = \$365.5 Million

Bureau Programs

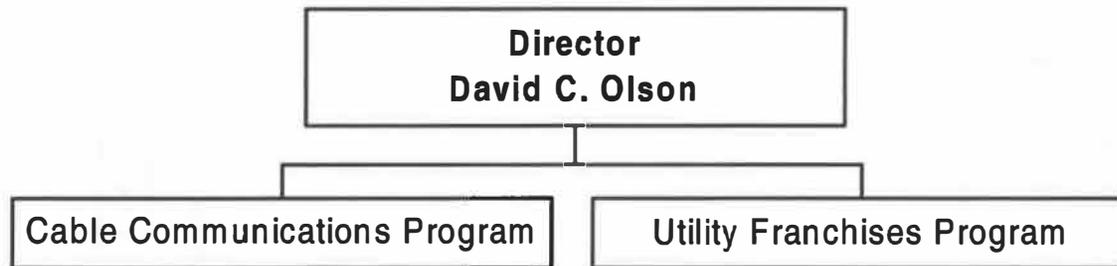


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	1,903,014	1,722,624	-180,390	-14.4%
Capital	0	0	0	0.0%
Allocated Overhead Costs	224,824	320,766	95,942	34.9%
Total Cost with Allocated Overhead	\$ 2,127,838	\$ 2,043,390	\$ -84,448	-9.2%
Authorized Full-Time Positions	7	7	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Cable Communications and Franchise Management



Bureau Summary

BUREAU MISSION

The mission of the Office of Cable Communications and Franchise Management is to ensure the city of Portland and its citizens are fairly compensated for private use of the public rights-of-way; to defend local government's role and the public interest in rapidly changing telecommunications and utility markets; and to carry out cable franchise responsibilities while advocating for the public interest in cable communications by providing staff support for the Mt. Hood Cable Regulatory Commission (MHCRC) by agreement with, and on behalf of, the local governments and citizens of Multnomah County and the cities of Fairview, Gresham, Portland, Troutdale and Wood Village.

BUREAU OVERVIEW

The Office of Cable Communications and Franchise Management (Cable Office) is comprised of two programs: Cable Communications and Utility Franchise Management.

Staff within the Cable Communications program serve the Mount Hood Cable Regulatory Commission (MHCRC), which protects the public interest in the regulation and development of cable communications. The Utility Franchise Management program negotiates and administers utility and telecommunications franchises for the City of Portland.

HIGHLIGHTS OF PROGRAMS AND SERVICES

General Fund Revenues

Bureau activities maintain steady growth in General Fund revenues.

Through the bureau's enforcement activities, General Fund franchise revenues have been climbing steadily over the years. Revenues have grown from \$39.6 million in FY 1996-97 to \$50.4 million in FY 2000-01. The recent downward trend within the telecommunication industry and overall market conditions have affected the rate of growth in franchise fee revenues. However, the bureau does not anticipate further reductions in franchise fee revenues. For FY 2001-02 the bureau estimates more than \$50 million and more than \$52 million in FY 2002-03.

Additional General Fund revenues were generated from audits in FY 2000-01.

During FY 2000-01, Portland joined 22 Oregon cities to form the Local Franchise Revenue Audit Group to audit PGE. The City collected \$840,000 in additional revenue from the audit. An audit of AT&T Broadband conducted by the MHCRC in FY 2001-02 generated another \$80,000 in General Fund revenues. Total General Fund revenues from audits, fines, and past due payments totaled more than \$1.2 million in FY 2000-01 and are estimated to total \$1.1 million in FY 2001-02. The bureau is planning a joint audit of Qwest in FY 2002-03.

Education and Community-Based Technology

The Community Access Capital Grant program granted \$726,000 in FY 2001-02 for eight projects that will assist public and non-profit organizations throughout Multnomah County in their use of technology advances to meet critical community needs.

Consumer Protection and Franchise Oversight

The Commission collected \$300,000 in fines through enforcement of cable customer service standards

In FY 2001-02, the MHCRC assisted in the resolution of about 79 complaints per month and pursued customer service issues with the cable company, with some reviews resulting in fines for violations. The Commission also oversaw enforcement of insurance and bonding issues, technical standards, emergency override requirements, changes in rates and channel assignments, line extension policies, and universal service issues.

Transfer of AT&T to Comcast

Through the MHCRC, staff will oversee the transfer of the AT&T Broadband franchise to Comcast.

SUMMARY OF BUDGET DECISIONS

General Fund appropriation reductions total \$219,040 from target

The Adopted Budget represents a 12% or \$219,040 reduction in General Fund support from initial target appropriations. Compared to current year's appropriation, the General Fund reduction totals \$145,885. The Adopted Budget reduces support to Portland Cable Access (PCA) by \$202,571 compared to FY 2001-02.

Staff size continues at the current level of 6.8 FTE, which will sustain the bureau's ability to generate General Fund revenues. The operating budgets for the Utility Franchise Management and Cable Communication programs total \$955,132, and funding to PCA equals \$767,492. The total General Fund appropriation is \$1,423,238.

FUNDING SOURCES

City Funds

General Fund

The General Fund is the primary funding source of the Cable Office. The Utility Franchise Management program is solely funded by the General Fund, while the Cable Communications program is funded by the six jurisdictions that make up the MHCRC. The City of Portland's share is approximately 67%.

Cable Fund

The MHCRC operates out of the Cable Fund. Grants, capital funds, and all materials and services are charged directly to the fund. Staff support is located in the Cable Office and supported by the Cable Fund via interagency agreement.

Franchise Revenues

Public, Educational and Government (PEG) Grants

AT&T pays 3% of its gross revenues to support capital projects that enhance the ability of local educational, governmental, and non-profit groups to use the cable communications system. These funds are referred to as the PEG (public, education, and government) funds.

Community Programs

From the 3% of gross revenues, 1% is retained by the cable company to develop the Community Institutional Network, 1% goes to the community access organizations of Multnomah Community Television (MCTV) and PCA, and 1% funds the MHCRC grant program.

Access Funding

Community Access Organizations

PCA and MCTV receive funding from Portland and other MHCRC jurisdictions for their operating budgets, in addition to the capital funds mentioned above. These organizations promote broad participation in civic and cultural life by encouraging effective use and understanding of community media through providing access to television and to the Internet.

Strategic Direction

RECENT TRENDS

There has been an increase in the number of telecommunications company bankruptcies and this has reduced the growth rate of General Fund revenues. In addition, effective March 15, 2002, AT&T Broadband stopped paying franchise fees on cable modem revenues due to the recent FCC Cable Modem Ruling. The MHCRC has joined the National Association of Telecommunications Advisors and Officers (NATOA) to oppose the FCC ruling.

Revenue from cable modem sources is new, with the City receiving same for less than a year. This revenue source is not currently factored into the General Fund revenue forecast so its loss will not impair current estimates. However, the potential for further General Fund revenue growth will be hampered.

SIGNIFICANT ISSUES

Strategy will foster competition among wireless carriers.

City Wireless Strategy

In response to requests from the wireless industry, staff developed a City Wireless Strategy, to be adopted by Council resolution, which creates a mechanism to allow wireless facilities to use the right-of-way.

Interconnect of I-Net with IRNE

Through the MHCRC, staff has made significant progress interconnecting AT&T's Institutional Network (I-Net) to the City's Integrated Regional Network Enterprise (IRNE). The interconnect is critical in order to provide "last mile" connectivity from the IRNE to schools, libraries, and local governments at low cost. Staff will continue to implement this project, which will promote expanded use of regional communication systems.

Qwest Lawsuit

The bureau continues to defend City rights-of-way revenues.

The City, along with eight intervening cities, won the lawsuit which Qwest is now appealing. Qwest has agreed to pay the City pending the outcome of its appeal. Staff will work with the City Attorney's Office on the appeal.

MAJOR INITIATIVES

Right-of-Way Compensation

The staff will defend City franchise and utility revenues (more than \$52 million in General Fund revenue) and advocate for local government's role in receiving fair compensation for managing the right-of-way.

Wireless Policy

The staff will secure right-of-way agreements with wireless carriers. Access to the right-of-way by this industry will foster competition among and between wireless and wireline telecommunications carriers, and bring desired wireless telecommunications technologies and benefits to the community.

Competitive Cable and Broadband Service

Under the leadership of Commissioner Sten and the MHCRC, staff will continue to pursue competition in local phone and cable television services to residences.

MANAGEMENT GOALS & OBJECTIVES

Provide cutting edge utility, cable, and telecommunication franchise regulation.

- ◆ Address and enforce franchise issues and requirements.
- ◆ Manage franchise regulation to foster competition, create the least negative impact on public streets and infrastructure, serve the public interest, and generates revenue for the City.

Inform and educate constituents regarding cable and telecommunications issues and regulations.

- ◆ Regularly communicate with the MHCRC jurisdictions to meet their needs and expectations.
- ◆ Effectively support and encourage the MHCRC in pursuit of its mission.
- ◆ Actively assist citizens in complaint resolution regarding cable communications and utility matters.
- ◆ Inform and respond in a timely manner to the Commissioner-in- Charge, Mayor, and other City of Portland bureaus.

Maximize resources available through the franchises to create accessible communication networks for the community.

- ◆ Manage the Community Access Capital Grant program to maximize benefits to the community.
- ◆ Negotiate and oversee contracts, funding, and community access services with all PEG providers to ensure compliance with franchise and PEG agreements.
- ◆ Facilitate development of the Institutional Network for use by the City and local jurisdictions.
- ◆ Develop and facilitate use of City-specific franchise benefits, such as fiber optic connections and duct set-asides.

Provide leadership and advocacy in telecommunications.

- ◆ Participate in, and encourage advocacy efforts for, Oregon and federal legislative and agency proceedings on behalf of the MHCRC jurisdictions' and citizens' interests, and defend local government authority, management, and control of public rights-of-way.

Operate and conduct business efficiently and effectively to achieve organizational mission and goals.

- ◆ Continuously monitor and evaluate operations, scope of work, and work output to provide high quality services and meet organizational goals.
- ◆ Ensure sound financial management.

COUNCIL PRIORITIES

Maintain a financially stable city.

The Cable Office continues to generate and protect General Fund revenues. It participates in Federal, State, and PUC proceedings and provides leadership in the City's legal interest regarding the development of advanced telecommunications infrastructure. The office also continues to negotiate, manage, and ensure compliance with franchise agreements.

During FY 2002-03, the bureau will pursue legal and regulatory actions to oppose the FCC's Cable Modem Ruling and will conduct a financial review of Qwest's utility license fees.

Promote the inclusion of under represented neighborhoods and groups in participation in City activities and services.

The Cable Office provides oversight to PCA, which serves as a catalyst in promoting citizen involvement. Through government and education programs broadcast on public access cable TV channels, under represented neighborhoods and groups are able to participate in and be aware of City activities and services.

Become a more effective partner in the region.

The office has engaged a broad range of public partners in the development of AT&T's I-Net and the interconnect to the IRNE. This will provide high bandwidth, fiber-based infrastructure throughout Multnomah County.

This technology will enhance the capability of organizations to communicate, educate, and deliver services to their constituencies. The organizations are five city governments, Multnomah County, Metro, seven School Districts, MESD, Portland and Mt. Hood community colleges, PSU, OHSU, Multnomah County libraries, and others.

Overview of Programs

CABLE COMMUNICATIONS

The Cable Communication program provides staff support to the MHCRC. The commission contracts for staff and services through a service agreement with the City of Portland. The commission funds an equivalent of 3.4 full-time staff positions and related materials and services.

The MHCRC advocates for and protects the public interest in the regulation and development of cable communications systems, resolves cable subscribers' concerns, and facilitates the planning and implementation of community uses of cable communications technologies which make use of the public right-of-way. The Commission also provides cable consumer protection and oversight of, and funding for, Portland Cable Access and Multnomah Community Television.

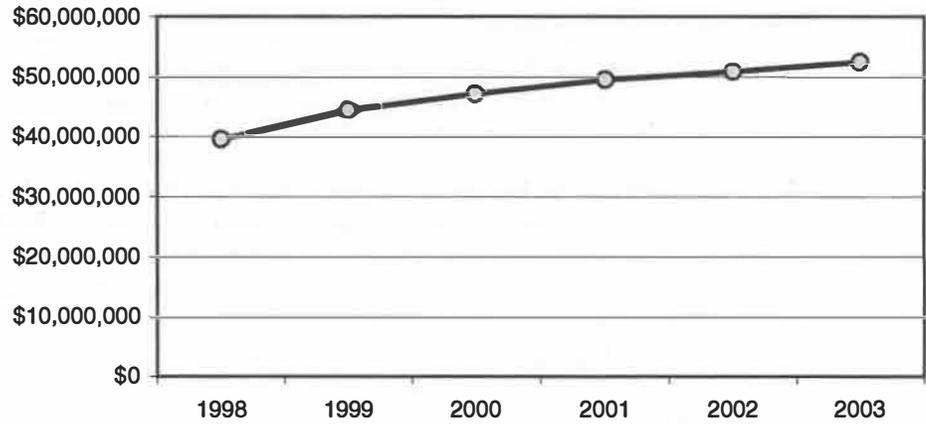
UTILITY FRANCHISES

The Utility Franchise Management program is supported by the General Fund and consists of 3.4 FTE. The primary objective of this program is to generate General Fund revenues through negotiating and managing utility and telecommunications franchises. In FY 2002-03, the bureau plans to administer approximately 47 franchises. Under this program, staff also administer franchise fee payments and audits. The office plays a significant role in monitoring and protecting City and consumer interests in the new era of competition and deregulation of the energy and telecommunications industries.

Performance Measures

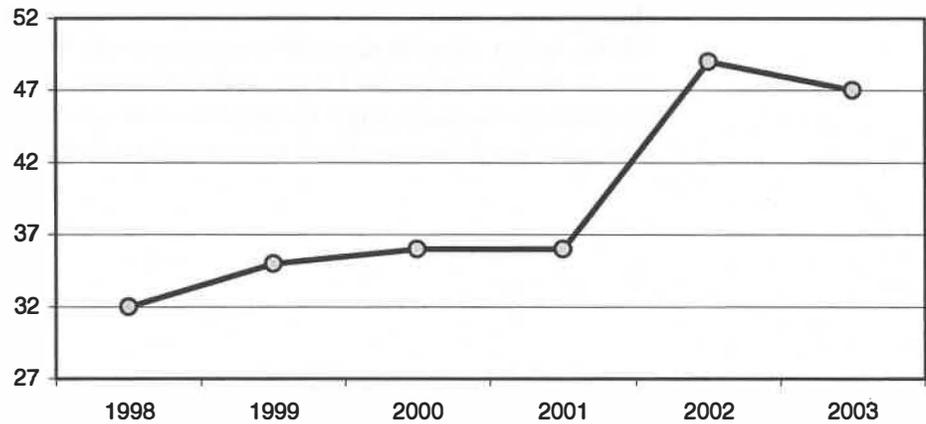
General Fund Revenues Generated

- ◆ Franchise fee revenues will increase, aided by the favorable settlement of the Qwest lawsuit.



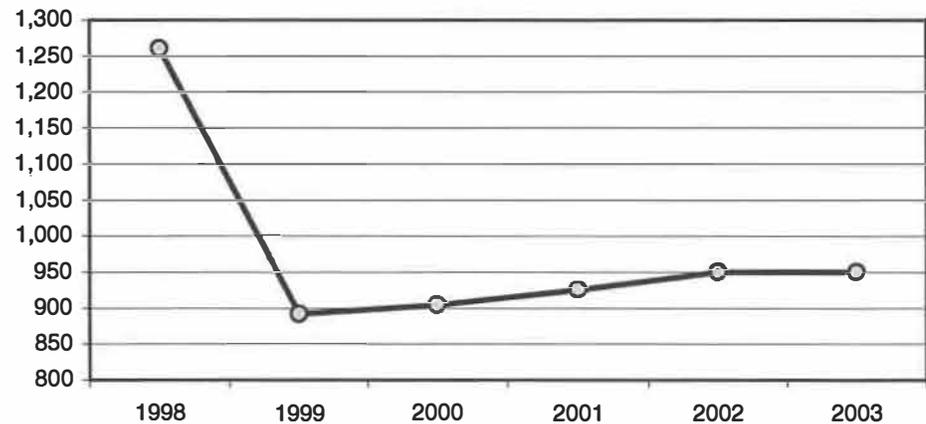
Franchises Administered

- ◆ Bankruptcies in telecommunications franchises during FY 2001-02 resulted the decline in number of franchises administered in FY 2002-03.



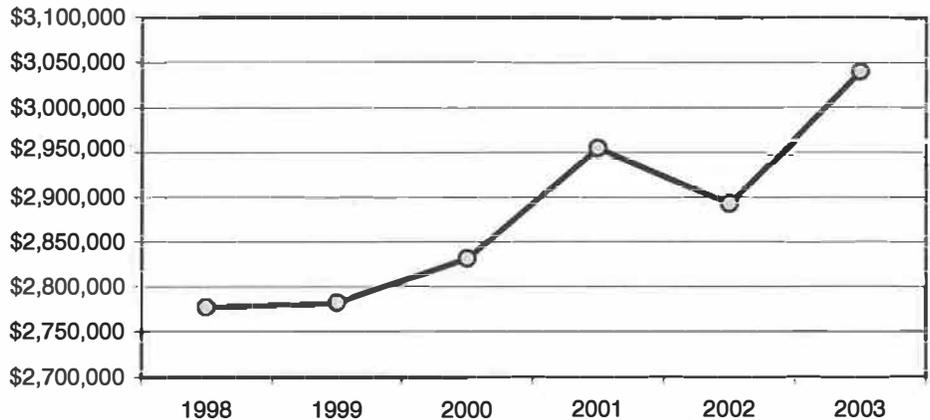
Cable TV Complaints Handled

- ◆ On average, over 98% of complaints are resolved within two days.

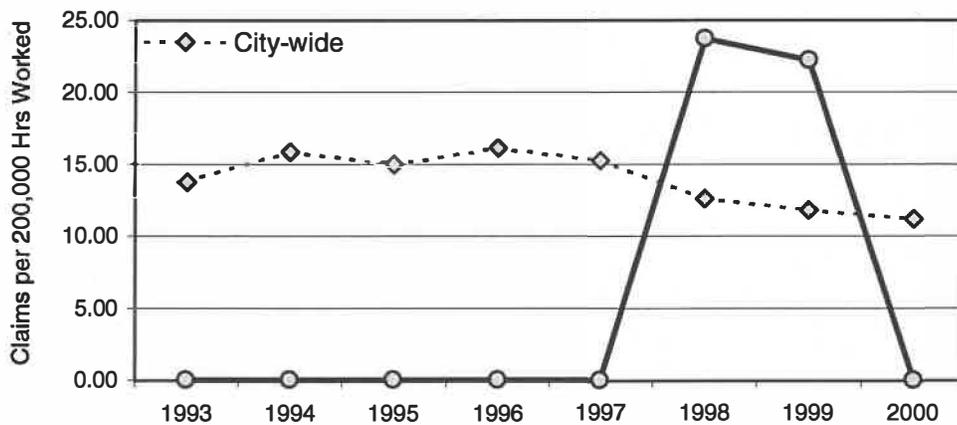


PEG Funding and Grants

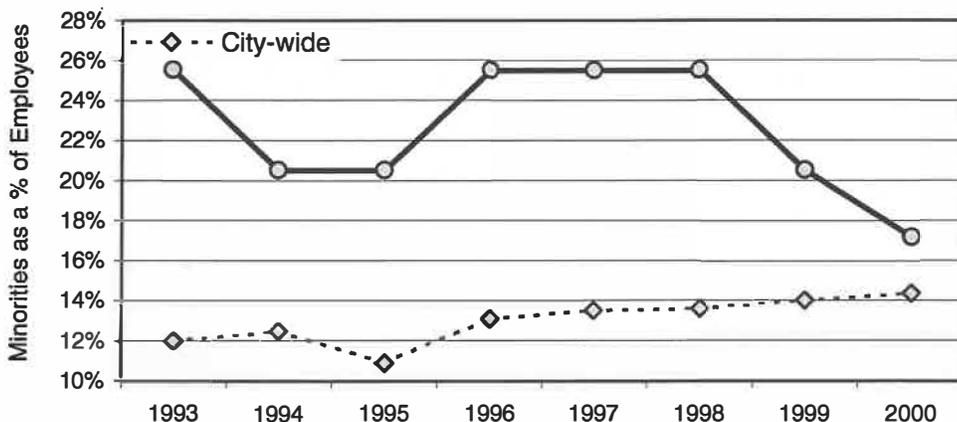
- ◆ The PEG grants provide capital funding to non-profit, educational, community, and local government organizations to use the cable communications system.
- ◆ The growth in grant funds parallels the growth in cable franchise fee revenues. It also includes one time capital funding in the amount of \$184,000 to PCA and MCTV.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



Cable Communications and Franchise Management AU 300

PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
CABLE COMMUNICATIONS AND FRANCHISE MANAGEMENT						
Affirmative Action Measures						
Affirmative Action - Minority	20.0%	16.7%	16.7%	12.5%	14.3%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	60.0%	50.0%	50.0%	62.5%	57.1%	
Female Employees as a Percent of Total						
Office of Cable Communications						
Cable Communications						
Workload						
Cable TV Complaints Handled	1,260	892	904	925	950	950
Public, Educational, and Governmental (PEG) Grant Funding	\$2,776,801	\$2,781,574	\$2,831,072	\$2,954,161	\$2,892,174	\$3,039,156
Utility Franchises						
Workload						
Franchises Administered	32	35	36	36	49	47
General Fund Revenues Generated	\$39,458,501	\$44,327,111	\$47,063,642	\$49,428,775	\$50,791,380	\$52,406,769

Cable Communications and Franchise Management AU 300 SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	494,376	498,713	586,764	603,562	603,562
External Materials and Services	760,588	1,003,371	1,027,037	820,902	820,902
Internal Materials and Services	430,462	275,027	289,213	298,160	298,160
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	1,685,426	1,777,111	1,903,014	1,722,624	1,722,624
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 1,685,426	\$ 1,777,111	\$ 1,903,014	\$ 1,722,624	\$ 1,722,624
Allocated Overhead	185,199	259,299	224,824	313,019	320,766
Total Cost with Allocated Overhead	1,870,625	2,036,410	2,127,838	2,035,643	2,043,390
RESOURCES					
General Fund Discretionary	1,384,793	1,494,872	1,569,123	1,423,238	1,423,238
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Interagency Revenue	277,746	282,239	327,391	299,386	299,386
Contract Revenue	0	0	6,500	0	0
Program Revenue	22,887	0	0	0	0
Total Non-Discretionary Revenues	300,633	282,239	333,891	299,386	299,386
TOTAL GENERAL FUND RESOURCES	1,685,426	\$ 1,777,111	\$ 1,903,014	\$ 1,722,624	\$ 1,722,624
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Cable Communications	1,417,956	1,482,432	1,523,669	1,317,873	1,317,873
<i>Positions</i>	3	3	3	3	3
Utility Franchises	267,470	294,679	379,345	404,751	404,751
<i>Positions</i>	2	2	3	3	3
TOTAL PROGRAMS	\$ 1,685,426	\$ 1,777,111	\$ 1,903,014	\$ 1,722,624	\$ 1,722,624
<i>Positions</i>	6	6	7	7	7
<i>General Fund Discretionary Positions</i>	6	6	7	7	7

Cable Communications and Franchise Management AU 300

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	294,010	294,441	425,885	440,693	440,693
512000 Part-Time Employees	6,870	1,337	0	0	0
514000 Overtime	1,519	1,411	4,035	0	0
517000 Benefits	133,421	131,138	156,844	162,869	162,869
518000 Paid Absence	58,556	70,386	0	0	0
Total Personnel Services	494,376	498,713	586,764	603,562	603,562
Materials and Services					
External Materials and Services					
521000 Professional Services	753,614	992,879	1,013,381	807,122	807,122
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	800	1,000	1,000
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	735	3,298	1,699	1,580	1,580
531000 Office Supplies	386	383	1,600	1,500	1,500
532000 Operating Supplies	1,195	1,662	2,500	2,300	2,300
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	0	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	1,041	2,065	2,600	2,200	2,200
542000 Local Travel	0	485	800	900	900
543000 Out-of-Town Travel	3,139	2,226	2,400	2,700	2,700
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	478	373	1,257	1,600	1,600
Total External Materials and Services	760,588	1,003,371	1,027,037	820,902	820,902
Internal Materials and Services					
551000 Fleet Services	93	0	412	412	412
552000 Printing & Distribution	3,047	2,326	2,127	2,978	2,978
553000 Facilities Services	8,693	11,759	12,029	15,523	15,523
554000 Communications Services	2,304	3,460	3,559	3,726	3,726
555000 Data Processing Services	3,688	7,954	8,547	9,118	9,118
556000 Insurance	3,351	7,283	7,271	9,547	9,547
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	5,245	5,861	5,861
559000 Other Fund Services	409,286	242,245	250,023	250,995	250,995
Total Internal Materials and Services	430,462	275,027	289,213	298,160	298,160
Total Materials and Services	1,191,050	1,278,398	1,316,250	1,119,062	1,119,062
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 1,685,426	\$ 1,777,111	\$ 1,903,014	\$ 1,722,624	\$ 1,722,624

Cable Communications and Franchise Management AU 300

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
926	Administrative Services Manager	1	1	1	64,310	1	68,084	1	68,084
827	Financial Analyst	1	1	1	59,344	1	61,576	1	61,576
979	Franchise & Cable Comm Director	1	1	1	85,384	1	88,198	1	88,198
245	Hearings Clerk	1	1	0	0	0	0	0	0
966	Program Coordinator	1	1	1	51,983	1	59,049	1	59,049
968	Program Manager I	1	1	2	117,487	2	116,407	2	116,407
964	Program Specialist	0	0	1	47,377	1	47,379	1	47,379
TOTAL FULL-TIME POSITIONS		6	6	7	\$ 425,885	7	\$ 440,693	7	\$ 440,693

Cable Communications and Franchise Management AU 300

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	1,941,664	0	1,941,664	7.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	13	0	13	0.0	Facilities Srvc BOMA adjustment
Mayor's Proposed Budget Decisions					
	(45,018)	0	(45,018)	0.0	Cable 7% GF cut - from PCA contract
	(69,942)	0	(69,942)	0.0	PCA contract 7% GF cut
	(1,844)	0	(1,844)	0.0	BFP recomm. - Non-Prof. Srvc. Ext. M&S
	(1,235)	0	(1,235)	0.0	BFP recomm. - Int. M&S
	(100,000)	0	(100,000)	0.0	Additional reduction to PCA contract
	(442)	0	(442)	0.0	Facil Srvc reduction
	(85)	0	(85)	0.0	Commun Srvc reduction
	(427)	0	(427)	0.0	BIT reduction
	(150)	0	(150)	0.0	Risk Mgmt reductions
	(92)	0	(92)	0.0	BHR training reduction
	182	0	182	0.0	Add back to Ext. M&S
Approved Budget Additions and Reductions					
	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	0	0	0	0.0	0
	(219,040)	0	(219,040)	0.0	Total FY 2002-03 Decision Packages
			\$ 1,722,624	7.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted

Office of Sustainable Development

Community Development Service Area

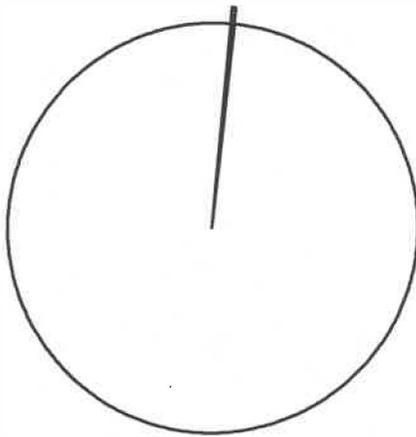
Dan Saltzman, Commissioner-in-Charge

Susan Anderson, Director

Percent of City Budget

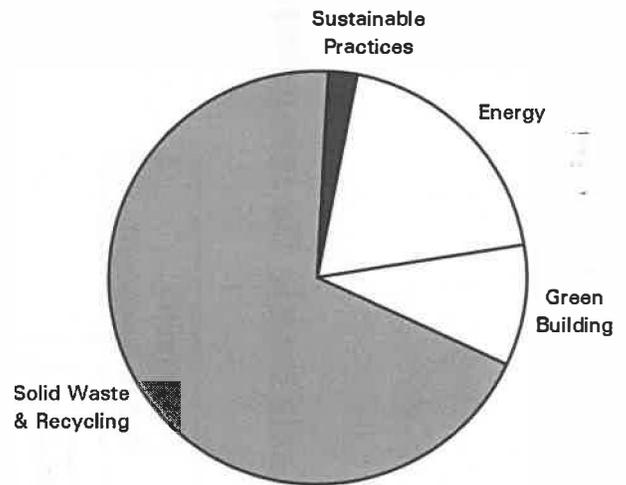
OSD = \$4.2 Million

0.3%



City Budget = \$1.4 Billion

Bureau Programs

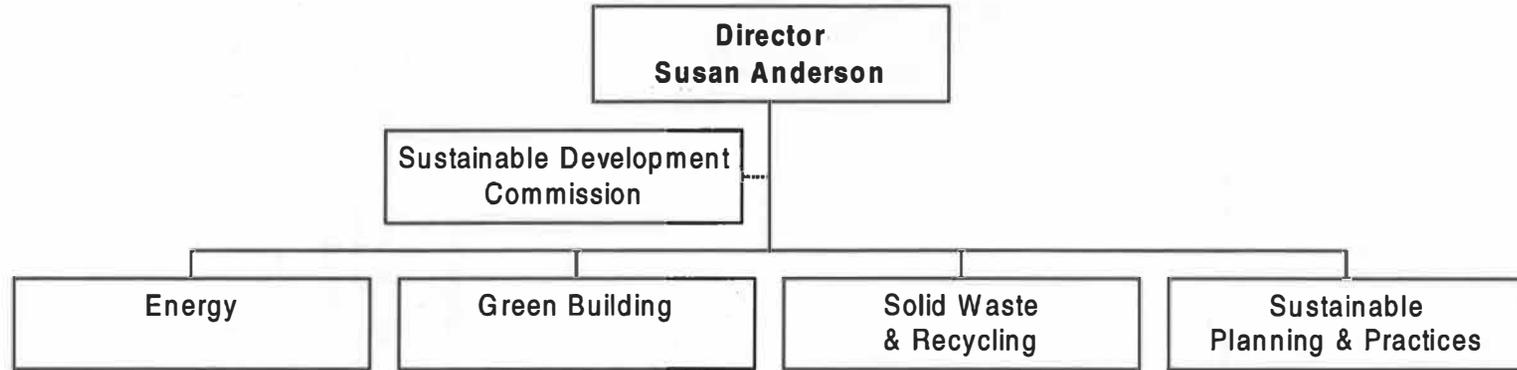


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	5,866,960	4,219,951	-1,647,009	-32.0%
Capital	0	0	0	0.0%
Allocated Overhead Costs	269,712	238,197	-31,515	-16.5%
Total Cost with Allocated Overhead	\$ 6,136,672	\$ 4,458,148	\$ -1,678,524	-31.3%
Authorized Full-Time Positions	21	23	2	3.6%

Note: Per capita change values are adjusted for inflation and population growth.

Office of Sustainable Development



Bureau Summary

BUREAU MISSION

The mission of the Office of Sustainable Development is to provide leadership and services to promote energy and resource conservation and sustainable development practices for City government and all Portland residents and businesses.

BUREAU OVERVIEW

The Office of Sustainable Development (OSD) was established in September 2000. OSD brings together creative partnerships and new technologies to promote a healthy environment and an efficient, vibrant community. OSD provides a meeting ground for residents, businesses, and environmental, faith and civic organizations to promote and ignite change in the community that results in energy and resource conservation, the use of renewable resources, and environmental best practices.

Efforts are client-oriented and focused on the needs of homeowners, renters, low-income families, government, small business and specific business sectors. While there are four divisions, program services are melded and staff cross-trained so clients have easy access to all areas of technical and financial expertise.

OSD also provides staff support to the Portland/Multnomah County Sustainable Development Commission.

Revenues

The Office of Sustainable Development is funded by General Fund, Solid Waste Management Fund, interagency agreements, federal and state grants, and contracts with local utilities and non-profit agencies. Revenue sources for the Solid Waste Management Fund include residential franchise fees, commercial tonnage and permit fees and grants. The General Fund support for FY 2002-03 is \$325,354.

General Fund dollars leverage outside funds

The office continues to leverage General Fund support to obtain grants, utility contracts, and state and local interagency agreements. In FY 2002-03, OSD expects to receive at least \$500,000 in additional unbudgeted grants and contracts.

Budget

The FY 2002-03 Adopted Budget for the Office of Sustainable Development is \$4,219,951, including a 7% reduction of General Fund support. Staff size is 23.0 FTE, an increase of 2.0 from the FY 2001-02 Revised Budget.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Accomplishments

Developed and led adoption of City-wide green building policy

OSD worked with major City bureaus to establish a Portland version of national LEED (Leadership in Energy and Environmental Design) green building standards and establish the certified level as the minimum qualification for all new facilities constructed by the City. The policy also directed the Portland Development Commission to adopt similar standards.

Created a Green Office Guide

The bureau created the Green Office Guide for businesses and organizations. The guide is a comprehensive resource that provides businesses with the information necessary to reduce impacts on the environment and save money.

Achieved City recycling goals

Portland's 54% recycling rate highest in nation

The City's 54% recycling goal was achieved. Waste News (a trade publication) recognized Portland's recycling rate as the highest among the 30 largest municipalities in the United States.

Secured over \$400,000 in grants and contracts.

Completed three major energy conservation projects in City facilities:

1. Portland Building lighting retrofit (and delamping)
2. Portland Building lighting sweep controls
3. Installation of more energy efficient traffic signal lights

Cut \$320,000 per year in City energy costs

The three projects will cut energy costs for the City by more than \$320,000 per year. The annual energy savings (more than 5.25 million kWh) are equal to the electric use of nearly 440 typical homes. These projects have also earned the City utility rebate payments of about \$725,000. When added to the annual savings of prior energy-saving projects, the City is saving about \$2.2 million per year (at current gas/electric rates). Since the City Energy Challenge program was initiated in 1991, the City has saved nearly \$10 million.

City saved \$500,000 in traffic signal lights

The City's traffic signal lights were replaced by LEDs and acquired through a lease-option that allowed the leasing company to qualify for the State of Oregon business energy tax credit. The company shared the benefit of this tax credit with the City, saving the City \$500,000 over the five-year lease of the signals.

Coordinated City's generation of 2 million kilowatt-hours of renewable electricity.

Alternative energy generation by the City's methane fuel cell

Generation of electricity by the City's methane conversion fuel cell at the Columbia Boulevard Wastewater Treatment Plant, coupled with an additional purchase of 0.75 million kilowatt-hours from PGE and Pacific Power, reduced the release of 1,650 thousand tons of the carbon dioxide emissions that cause global warming. The 2.75 million kWh of renewable energy produced by the fuel cell is equal to the annual energy use of about 230 local homes.

Weatherized 2,718 homes through the Block-by-Block program.

1,900 lower income multi- and single-family units were weatherized in 2001.

Created a new Local Action Plan on Global Warming.

Led Portland's efforts to reduce per capita CO2 emissions

Efforts related to implementation of the plan have resulted in Portland reducing per capita carbon dioxide emission by 5% at a time when most of the world is increasing per capita emissions. Multnomah County used OSD's plan as the basis for developing a County global warming plan. A related document provides information to individuals about how to reduce carbon dioxide emissions from households and includes a personal CO2 calculator.

SUMMARY OF BUDGET DECISIONS

\$19,135 in General Fund savings

To meet Council's goal of a 7% across-the-board reduction, OSD cut \$19,135 in General Fund support and \$2,500 of other support. The bureau will reduce the amount of time the Energy Division manager spends on energy policy and electric utility issues, and will shift that manager's time to work directly on energy efficiency projects funded by grants and contracts. The bureau will also make reductions in External Materials and Services expenses.

FUNDING SOURCES

OSD is organized into four units: Solid Waste and Recycling, Energy, Green Building, and Sustainable Planning and Practices.

- ◆ The Solid Waste and Recycling program is funded through residential franchise fees, commercial tonnage and permit fees, and some grants.
- ◆ The Energy program receives General Fund support for about 1.7 FTE and some operating expenses. All other funds come from interagency agreements with City bureaus, federal and state grants, and contracts with local utilities and non-profit agencies.
- ◆ Residential franchise fees and commercial fees are the primary sources of funding for the Green Building program. A variety of grants for specific projects were acquired in 2001 and others will be sought in 2002.
- ◆ Activities related to the Sustainable Development Commission and broad sustainability planning, practices, and education are funded by grants and interagency agreements. 0.8 FTE is supported by the General Fund to staff the commission.

Strategic Direction

RECENT TRENDS

Utility Deregulation

Electric utility mergers continue to be a major focus of attention in Portland. In recent years, ScottishPower purchased PacifiCorp and Enron bought PGE. Enron tried to sell the local utility to Sierra Pacific from Nevada. This sale fell through and Northwest Natural Gas now has proposed a merger with PGE.

The potential merger of Northwest Natural Gas and Portland General Electric provides an opportunity for the City to intervene and ensure the sale provides benefits to Portland residents and helps to meet City goals related to global warming, energy efficiency, and economic development.

Utility restructuring legislation (SB1149) passed in 1999 and took effect in March 2002. This allows large customers to purchase power from energy service suppliers other than the regulated utilities. In addition, all customers have more choice in terms of their electricity service and are allowed to purchase power from renewable resources.

Green Building

Portland has a national and international reputation for successfully balancing community development, growth management, and environmental stewardship. With Portland poised to continue to grow, expand, and redevelop its built environment, the City needs to improve the quality, cost effectiveness, and performance of buildings while simultaneously reducing stress on the environment.

Green building is gaining currency in the design and construction industry as the culmination of innovative building and site design techniques that can realize performance and environmental goals.

OSD promotes resource efficient building and site design practices

The Green Building program provides the City with an integrated effort to promote resource-efficient building and site design practices throughout the city. This initiative also presents an opportunity for Portland to improve local practices, while creating new jobs and becoming a growing center for green technologies and services.

SIGNIFICANT ISSUES

Technology

The rapid development of new technologies confronts Portland and other communities daily. These technologies present enormous opportunities to improve efficiencies and the quality of life in Portland. Products unheard of a few years ago are now, or soon will be, commercially available. These include fuel cells, microturbines, hybrid vehicles, photovoltaic building components, recycled construction materials, clean water technologies, and more.

OSD researches new technologies that have the potential to reduce environmental impacts and improve resource efficiency and promotes the use of these technologies by City government and Portland businesses and residents.

Global Climate Change

Global climate change impacts housing, industry, agriculture, transportation, energy use and development, taxes and municipal revenues. Many European and Asian nations and more than 400 local governments worldwide are taking active measures to reduce greenhouse gas emissions. The US Environmental Protection Agency and Department of Energy regularly seek advice from OSD on policy and program development/implementation related to energy efficiency, solid waste, and climate change. In addition, USEPA chose Portland as the only local government recipient of their 2002 climate protection awards. Winners include businesses and individuals from Canada, Chile, Italy, Japan and the United States.

Waste Reduction

Portland is recognized as having the most successful recycling and solid waste program in the nation, recycling about 54 percent of its waste. Cities throughout the country have mined residential waste through curbside recycling efforts. To increase recycling substantially, the focus must shift to such areas as commercial food waste and construction and demolition materials.

MANAGEMENT GOALS & OBJECTIVES**Long-Term Goals**

The Office of Sustainable Development has seven long-term goals:

- ◆ Implement the Local Action Plan on Global Warming and Sustainable City Principles.
- ◆ Ensure quality solid waste collection and recycling services in the city, and fair residential rates.
- ◆ Within the framework of a rapidly changing electric utility industry, pursue state, national, and local policies and programs to protect the City's economic, energy, environmental, and public interest goals.
- ◆ Provide direction and staff the Sustainable Development Commission and acquire funding to implement related programs.
- ◆ Develop partnerships and acquire non-General Fund resources to provide energy efficiency services and technical assistance to residences, businesses, and governments.
- ◆ Help businesses thrive and create local jobs related to the "green economy" -- energy efficiency, renewable resources, waste reduction and recycling, and sustainable technologies and services.
- ◆ Promote healthy, resource-efficient building construction, site development, and operations throughout the community.

Management Objectives for FY 2002-03

The primary objectives in FY 2002-03 include:

- ◆ Complete projects on City-owned facilities to result in \$2 million in annual energy savings.
- ◆ Improve energy efficiency in at least 1,600 multi-family living units and 112 low-income single family homes.
- ◆ Provide technical assistance to at least 100 businesses on energy efficiency, water conservation, waste reduction, and transportation efficiency.
- ◆ Recognize local firms for their sustainability efforts through the BEST awards event.
- ◆ Acquire at least \$300,000 in grants and contracts to implement the City's Local Action Plan for Global Warming and Sustainable City Principles.
- ◆ Develop mechanisms to protect consumer, environmental, and public interest goals in a more competitive utility market.
- ◆ Complete an electric utility franchise agreement with PGE.

- ◆ Target commercial, governmental, institutional, and market rate and affordable housing projects throughout Portland using targeted outreach and technical assistance.
- ◆ Provide employee education, research, and technical assistance to City bureaus on resource conservation and sustainability practices with each bureau adopting measurable sustainability goals.
- ◆ Establish fair rates with residential haulers and increase recycling levels in areas that have low participation.
- ◆ Expand efforts to increase recovery rates for commercial solid waste including the siting of a food waste composting facility.

COUNCIL PRIORITIES

The Office of Sustainable Development supports the following Council priorities through implementation of the identified Council strategies.

Build a livable city through good planning and well-managed growth.

- ◆ Develop and implement sustainability criteria to guide decisions.
- ◆ Ensure integrated environmental strategies are part of all planning.

Promote economic vitality and access to quality jobs for all.

- ◆ Maintain a strong environment for the economy.
- ◆ Provide technical assistance to businesses.

Maintain and improve our parks, green spaces, water and air sheds.

- ◆ Complete an energy deregulation plan.

Grow as an International city.

- ◆ Expand opportunities for trade, especially for small business involved in environmental technology and transportation.

Overview of Programs

ENERGY

The Energy program crafts energy policy for Portland, implements efforts to encourage conservation in residential, commercial, governmental, industrial, and transportation sectors, and promotes the use of clean renewable energy.

The program developed a new Local Action Plan on global warming that was adopted in 2001. A new Community Energy Plan was completed in December 2000 and is being used as the framework for new program development and partnership proposals with the newly formed Energy Trust of Oregon. Discussions with PGE to develop a modern electric utility franchise are underway and should be completed in 2002. Programs related to home and apartment weatherization, business and City government energy efficiency, and the purchase of green power will continue.

GREEN BUILDING

The Green Building program promotes healthy, resource-efficient, high performance building construction, and site development. Services include training, education, on-site technical help, and financial assistance. The Green Investment Fund and G/Rated Building program help to promote innovation in commercial, governmental, and residential development.

SOLID WASTE & RECYCLING

The Solid Waste and Recycling program regulates solid waste collection services for residents and businesses and establishes contracts and rates with residential haulers. Current efforts include a variety of services and outreach efforts to encourage recycling, waste prevention, and the use of recycled materials.

The program is expanding efforts to increase recovery rates for commercial solid waste, especially in the areas of food waste and construction and demolition materials. New initiatives focus on the siting of a food waste composting facility and a joint effort between the Green Building and Solid Waste and Recycling staff to focus on developing resource efficient guidelines for tenant improvements in commercial office space. On the residential side, a newly revised franchise agreement was submitted to, and approved by, Council in Spring 2002 and activities will be undertaken to increase recycling levels in low participation areas.

SUSTAINABLE PLANNING & PRACTICES

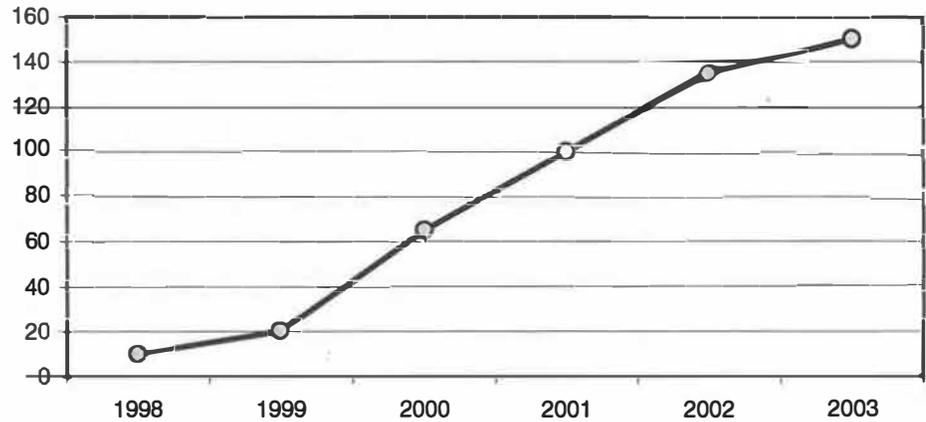
The Sustainable Development Commission staff leads efforts to promote sustainable practices within City government and throughout the community through a variety of training and education efforts.

Efforts will focus on internal City operations, sustainable food policy, government purchasing practices, salmon-safe parks, sustainable industries, and the promotion of sustainable development practices to lower income residents. OSD worked with Multnomah County to form a joint City/County Sustainable Development Commission in FY 2001-02.

Performance Measures

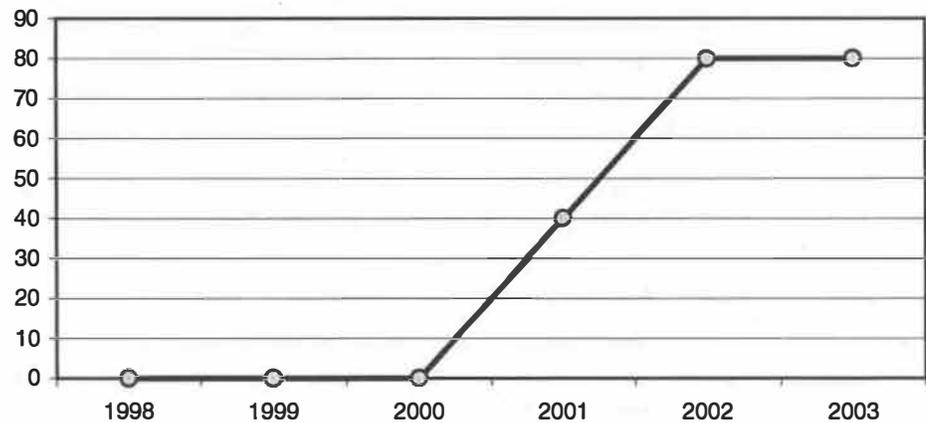
Employees Reached by Sustainability Training and Outreach Programs

- ◆ More training, technical assistance, and consultation is provided as an increasing number of bureaus work toward greening their internal operations.



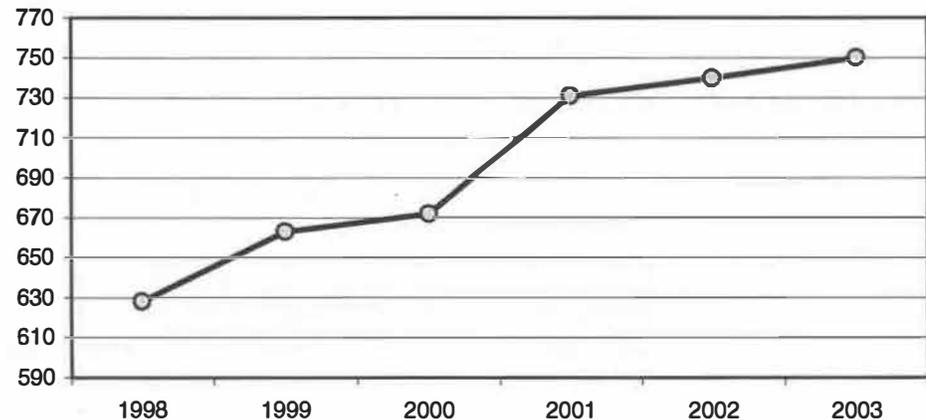
Projects Receiving Green Building Technical Assistance

- ◆ The Green Building program has provided technical assistance to more than 120 residential and commercial projects.



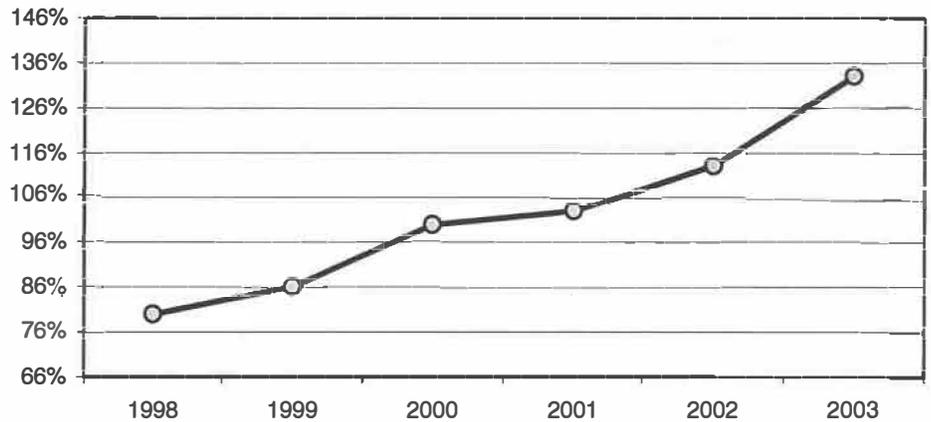
Pounds of Solid Waste Recycled per Household

- ◆ The curbside recycling program reflects the commitment of Portland's citizens to keep recyclables out of the waste stream.
- ◆ Future years reflect small increases due to the new commingling system.

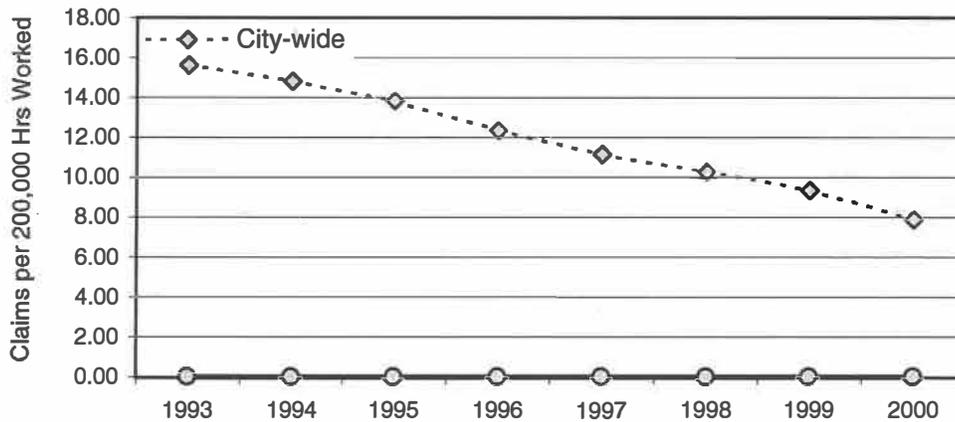


Percent Achieved of Year 2001 Energy Savings Goal

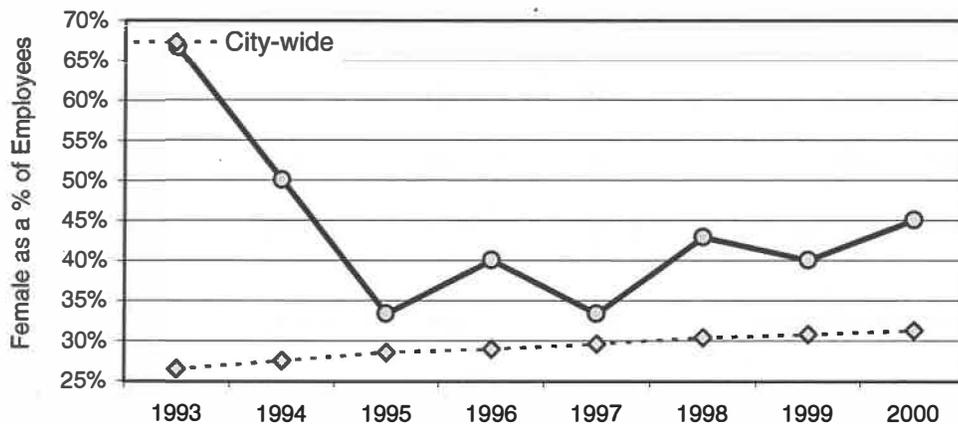
- The Office of Sustainable Development reached its goal of achieving \$1.5 million in annual savings on City facilities in calendar year 2000.
- In future years, City facilities' energy savings will exceed \$2 million in annual savings.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est FY 2001-02	Adopted FY 2002-03
OFFICE OF SUSTAINABLE DEVELOPMENT						
Affirmative Action Measures						
Affirmative Action - Minority	12.5%	10.5%	14.3%	15.0%	14.3%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	56.3%	57.9%	52.4%	50.0%	47.6%	
Female Employees as a Percent of Total						
Sustainable Development Division						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Sustainable Planning & Practices						
Workload						
Employees reached by sustainability training and outreach programs	10	20	65	100	135	150
Number of bureaus assisted with sustainability projects and plans	N/A	N/A	2	6	8	8
Community organizations reached by sustainability outreach programs	N/A	N/A	5	20	55	40
Green Building						
Workload						
Residential projects supported by Incentive Fund	N/A	N/A	N/A	5	30	0
Commercial projects supported by Incentive Fund	N/A	N/A	N/A	7	18	0
Projects receiving technical assistance	0	0	0	40	80	80
Solid Waste & Recycling						
Workload						
Tons of recyclables collected by permitted commercial haulers	100,000	111,000	145,000	129,400	120,000	120,000
Effectiveness						
Pounds per household disposed	1,476	1,424	1,447	1,471	1,450	1,440
Effectiveness						
Pounds per household recycled	628	663	672	731	740	750
Efficiency						
Percent of Residential material diverted from wastestream	50.0%	52.7%	51.6%	52.3%	53.0%	53.0%
Efficiency						
Percent of Commercial material diverted from wastestream	52%	52%	54%	54%	56%	56%
Energy						
Workload						
Low-income homes weatherized	125	125	125	125	125	112
Grants & Contracts awarded	\$295,761	\$280,228	\$360,902	\$344,201	\$247,000	\$300,000

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Efficiency						
Percent of energy savings completed toward yr 2001 goal	80%	86%	100%	103%	113%	133%

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,242,919	1,496,460	1,591,804	1,721,463	1,721,463
External Materials and Services	1,482,876	1,445,261	3,037,311	1,714,878	1,729,878
Internal Materials and Services	259,041	1,086,969	1,237,845	768,765	768,610
Minor Capital Outlay	13,406	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	2,998,242	4,028,690	5,866,960	4,205,106	4,219,951
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 2,998,242	\$ 4,028,690	\$ 5,866,960	\$ 4,205,106	\$ 4,219,951
Allocated Overhead	229,386	241,217	269,712	236,112	238,197
Total Cost with Allocated Overhead	3,227,628	4,269,907	6,136,672	4,441,218	4,458,148
RESOURCES					
Discretionary Revenues					
General Fund	365,033	273,995	331,947	325,354	325,354
Total Discretionary Revenues	365,033	273,995	331,947	325,354	325,354
Non-Discretionary Revenues					
Cash Transfers	0	239,732	1,243,424	450,862	450,862
Grants & Donations	307,574	344,201	337,939	217,237	217,237
Interagency Revenues	204,507	267,078	333,439	302,108	317,108
Program Revenue	18,475	0	0	0	0
Solid Waste Management Fund	2,102,653	2,903,684	3,620,211	2,909,545	2,909,390
Total Non-Discretionary Revenues	2,633,209	3,754,695	5,535,013	3,879,752	3,894,597
TOTAL RESOURCES	2,998,242	\$ 4,028,690	\$ 5,866,960	\$ 4,205,106	\$ 4,219,951
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Sustainable Planning & Practices	95,172	94,373	138,960	92,464	92,464
<i>Positions</i>	2	2	1	1	1
Green Building	0	239,730	1,209,692	393,751	393,751
<i>Positions</i>	0	3	3	4	4
Solid Waste & Recycling	2,102,653	2,903,684	3,620,211	2,909,545	2,909,390
<i>Positions</i>	10	10	10	10	10
Energy	800,417	790,903	898,097	809,346	824,346
<i>Positions</i>	9	7	7	8	8
TOTAL PROGRAMS	\$ 2,998,242	\$ 4,028,690	\$ 5,866,960	\$ 4,205,106	\$ 4,219,951
<i>Positions</i>	21	21	21	23	23
<i>General Fund Discretionary Positions</i>	3	2	2	2	2

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LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	732,978	810,052	1,007,176	1,185,531	1,185,531
512000 Part-Time Employees	59,157	146,569	164,008	77,183	77,183
514000 Overtime	1,016	322	0	654	654
515000 Premium Pay	5,054	4,197	0	0	0
517000 Benefits	327,433	381,878	420,620	458,095	458,095
518000 Paid Absence	117,281	153,442	0	0	0
Total Personnel Services	1,242,919	1,496,460	1,591,804	1,721,463	1,721,463
Materials and Services					
External Materials and Services					
521000 Professional Services	189,744	151,887	1,067,520	647,000	647,000
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	285	0	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	862,694	1,030,403	852,620	506,288	521,288
531000 Office Supplies	5,986	10,248	4,750	4,825	4,825
532000 Operating Supplies	128,454	18,746	22,250	12,550	12,550
533000 Repair & Maintenance Supplies	0	252	1,692	2,866	2,866
534000 Minor Equipment & Tools	212,245	154,841	278,500	353,500	353,500
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	2,106	4,998	0	0	0
541000 Education	16,881	25,775	9,791	17,366	17,366
542000 Local Travel	2,499	4,356	2,350	6,483	6,483
543000 Out-of-Town Travel	9,870	10,150	14,756	15,450	15,450
544000 Space Rental	0	0	0	114,297	114,297
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	52,112	33,605	783,082	34,253	34,253
Total External Materials and Services	1,482,876	1,445,261	3,037,311	1,714,878	1,729,878
Internal Materials and Services					
551000 Fleet Services	7,127	8,543	8,877	3,747	3,747
552000 Printing & Distribution	74,307	123,620	172,991	135,523	135,523
553000 Facilities Services	60,894	55,512	112,685	2,000	2,000
554000 Communications Services	23,308	25,589	24,271	25,362	25,362
555000 Data Processing Services	12,147	30,018	47,070	46,529	46,529
556000 Insurance	10,740	31,909	31,671	35,769	35,769
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	12,238	13,676	13,676
559000 Other Fund Services	70,518	811,778	828,042	506,159	506,004
Total Internal Materials and Services	259,041	1,086,969	1,237,845	768,765	768,610
Total Materials and Services	1,741,917	2,532,230	4,275,156	2,483,643	2,498,488
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	13,406	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	13,406	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 2,998,242	\$ 4,028,690	\$ 5,866,960	\$ 4,205,106	\$ 4,219,951

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
516	Accountant III	1	1	0	0	0	0	0	0
815	Administrative Specialist	1	1	0	0	0	0	0	0
962	Assistant Program Specialist	1	1	2	86,223	3	137,248	3	137,248
114	Clerical Specialist	1	0	0	0	0	0	0	0
2202	Code Specialist II	0	2	2	84,988	2	83,391	2	83,391
7492	Community Relations Specialist	3	2	2	77,962	2	97,302	2	97,302
118	Customer Services Rep	1	0	0	0	0	0	0	0
2210	Field Representative	3	0	0	0	0	0	0	0
827	Financial Analyst	0	0	1	45,981	1	49,221	1	49,221
102	Office Support Specialist II	0	3	4	134,774	4	141,816	4	141,816
970	Program Manager II	2	2	2	132,122	2	136,472	2	136,472
964	Program Specialist	0	0	1	44,346	1	52,158	1	52,158
816	Senior Administrative Specialist	4	4	2	74,356	2	75,175	2	75,175
3231	Senior Planner	1	0	0	0	0	0	0	0
7494	Sr Community Relation Specialist	2	3	3	192,992	4	272,414	4	272,414
891	Sustainable Development Director	1	1	1	85,384	1	88,197	1	88,197
3108	Technician II	0	1	1	48,048	1	52,137	1	52,137
TOTAL FULL-TIME POSITIONS		21	21	21	\$ 1,007,176	23	\$ 1,185,531	23	\$ 1,185,531

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	4,338,651	0	4,338,651	23.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(13,735)	0	(13,735)	0.0	GF support of Senior Manager
	(7,900)	0	(7,900)	0.0	BFP recomm. reductions to Ext. M&S
	(83)	0	(83)	0.0	BHR training reduction - OSD
	(72)	0	(72)	0.0	BHR training reduction - SW&R
	(492)	0	(492)	0.0	ComNet reduction - OSD
	(122)	0	(122)	0.0	ComNet reduction - SW&R
	(1,178)	0	(1,178)	0.0	BIT reduction - OSD
	(1,566)	0	(1,566)	0.0	BIT reduction - SW&R
	(372)	0	(372)	0.0	Risk Management reductions - OSD
	(271)	0	(271)	0.0	Risk Management reductions - SW&R
	(349)	0	(349)	0.0	Admin services from OSD to SW&R
	(93,562)	0	(93,562)	0.0	Transfer to OPDR for nuisance abatement
	(15,000)	0	(15,000)	0.0	I/A from PDOT for City Energy Challenge
	1,157	0	1,157	0.0	Adjust Ext. M&S for non-GF I/A reductions
Approved Budget Additions and Reductions	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	15,000	0	15,000	0.0	PDOT support of City Energy Challenge
	(550)	0	(550)	0.0	Reduced I/A to ONI - SW&R
	395	0	395	0.0	COPPEEA development fund - SW&R
	(118,700)	0	(118,700)	0.0	Total FY 2002-03 Decision Packages
			\$ 4,219,951	23.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted



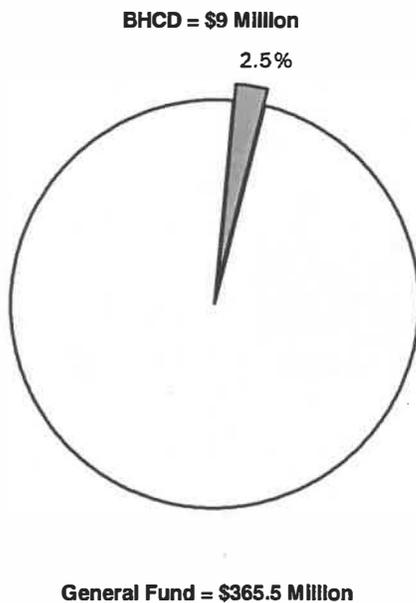
Bureau of Housing and Community Development

Community Development Service Area

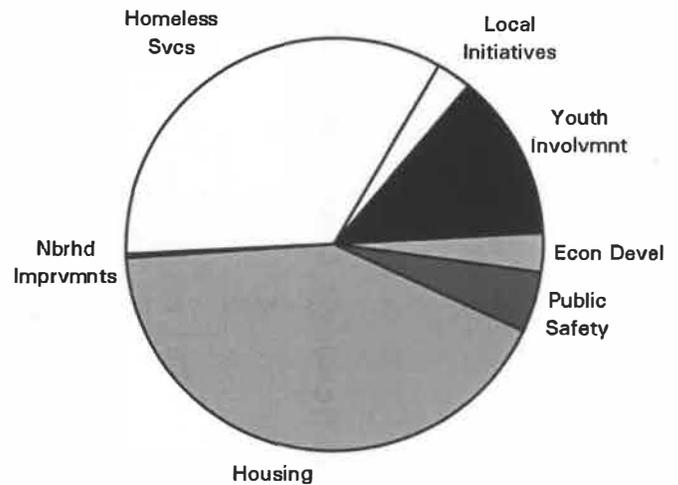
Erik Sten, Commissioner-in-Charge

Tonya Parker, Director

Percent of General Fund



Bureau Programs

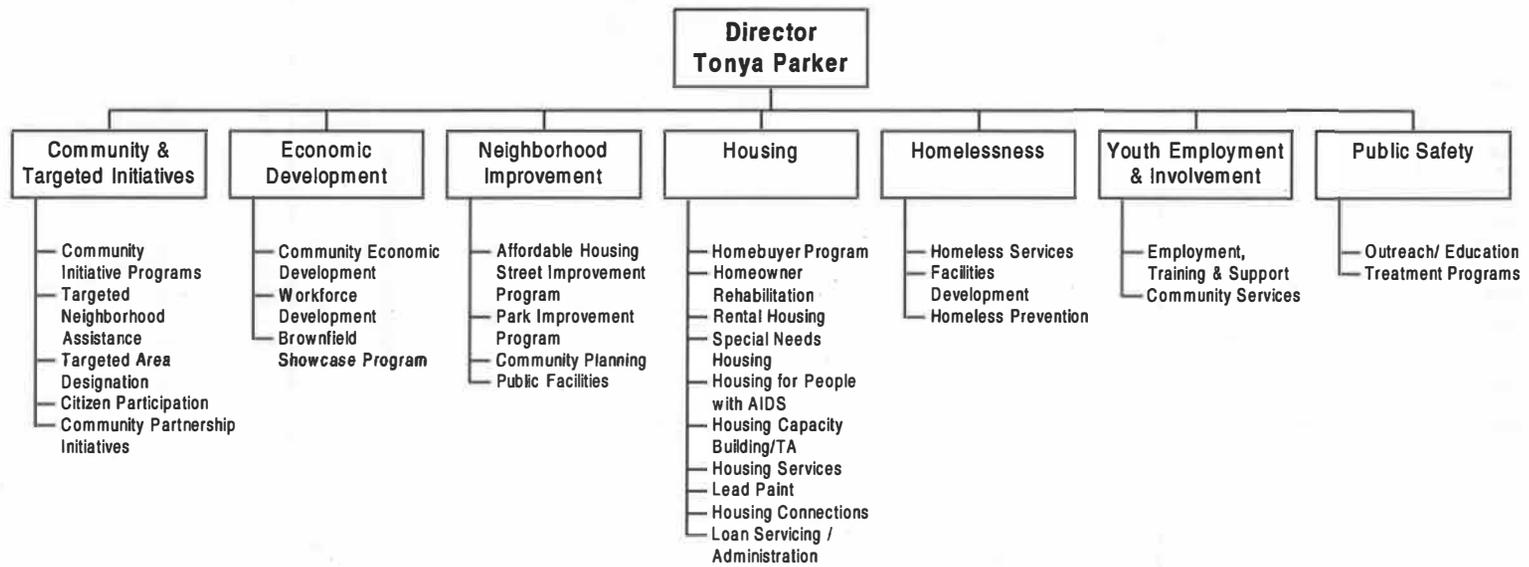


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	12,100,380	8,983,073	-3,117,307	-29.8%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 12,100,380	\$ 8,983,073	\$ -3,117,307	-29.8%
Authorized Full-Time Positions	21	22	1	-1.0%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau of Housing & Community Development



Bureau Summary

BUREAU MISSION

The mission of the Bureau of Housing and Community Development is to work as a professional team in partnership with the community to effectively steward the community development resources of the City of Portland and to serve as a catalyst in order to stabilize and improve neighborhoods and enable people to improve the quality of their lives.

VISION AND VALUES

Vision

The vision of the Bureau of Housing and Community Development is of dynamic partnerships between people and government meeting basic needs, enhancing opportunities for lower income people, and improving the livability of lower income neighborhoods.

Values

The bureau's operations are guided by the following values:

- ◆ Involvement of low-income citizens and communities who most closely experience the problems of poverty in identifying and prioritizing their needs and solutions.
- ◆ Collaboration with citizens, City Council, community-based organizations, service providers and other public agencies to develop and implement community development programs.
- ◆ Continual assessment of needs and evaluation of programs to ensure the effectiveness and efficiency of all programs.
- ◆ Creative exploration of new ways of meeting community needs and leveraging scarce public resources.
- ◆ Accountability and compliance with regulations governing bureau funding.
- ◆ Recognition of the contributions of citizens, staff, and other partners in the bureau's accomplishments.

BUREAU OVERVIEW

Introduction

The Bureau of Housing and Community Development (BHCD) manages federal funds channeled to the City by the U. S. Department of Housing and Urban Development (HUD) and other federal agencies. The federal funds managed by the bureau are comprised of four entitlement grants: the Community Development Block Grant (CDBG), HOME, Housing for People with AIDS (HOPWA) and the Emergency Shelter Grant (ESG). The total award for these grants in FY 2002-03 is \$18,207,000. The bureau centralizes the planning, tracking, reporting, and evaluation of these federal grant funds. The bureau also manages City General Funds appropriated to support the program areas of housing, youth employment, homeless, and public safety.

BHCD manages 30 service areas in seven programs.

The bureau consists of seven program areas held together by a common mission, vision, and strategic direction. These are: Housing, Economic Development, Neighborhood Improvements, Homeless Facilities and Services, Youth Employment and Involvement, Public Safety, and Targeted and Community Initiatives.

Each program area contains service areas which further break out the nature of the activity. For example, within the Housing Program Area, services include Rental Housing, Homeowner Rehabilitation, and the Homebuyer Program. There are 30 service areas in the bureau. Within each service area are projects and contracts with provider agencies and interagency agreements with City bureaus. The bureau's most significant contract is with the Portland Development Commission (PDC) for financing housing and economic development.

Operations

BHCD is the lead agency for the HOME and HOPWA grant consortiums

Acting as a steward of public resources and a catalyst for positive community change, BHCD contracts with numerous public and private non-profit organizations to provide services to lower income residents and neighborhoods. BHCD provides direct services in its Lead Hazard Abatement, Brownfields Showcase and Housing Connections programs. BHCD has Citywide policy planning responsibilities for affordable housing and community services issues, and is the designated lead agency to staff the Housing and Community Development Commission. BHCD acts as the lead agency for two grant consortiums: HOME and HOPWA. The HOME program funds affordable housing development. The HOME consortium includes Portland, Gresham, and Multnomah County. The HOPWA program provides funding for housing and facility development as well as services for persons with HIV/AIDS. The HOPWA Consortium includes the City of Portland and Multnomah, Washington, Clackamas, Yamhill, Columbia, and Clark Counties. BHCD manages a combined budget of \$28 million with 22 full-time employees.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Programs

BHCD provides a balance of services which address the strategic directions within seven program areas. Highlights of this past year include:

- ◆ The development and Spring launch of the web site www.housingconnections.org. Housing Connections is a virtual one stop for a wide array of free information regarding affordable, accessible, and special needs housing.
- ◆ In the past year JOIN's Camper Outreach Project has housed over 200 people. Of those individuals housed, 75% have maintained housing for over a year.
- ◆ In 2001-02 BHCD funded homeless programs that primarily serve homeless single adults underwent a re-visioning process that resulted in an Enhancement Plan for this homeless system.
- ◆ The movement of poverty from inner city neighborhoods to East Portland and the continuing change in emphasis from neighborhood based to people based programs has impacted the Economic Development, Neighborhood Improvement and Community and Targeted Initiatives programs. The bureau has begun a multi-year partnership with the Latino Network to support organizing and planning efforts within Portland's Latino community.
- ◆ The first year evaluation of the Child Care Improvement Project indicates that the networks of home-based providers saw increases in quality of care for children, provider business stability and success, and parent satisfaction. The program is in a major expansion phase and will serve about 1,200 children and 120 small businesses next year for an investment of \$500 per child.

- ◆ Phase one of the Rosemont project in the Piedmont neighborhood was completed. A model project, Rosemont represents partnership between the City, neighborhood residents, private, for-profit and nonprofit developers. Six lower-income families became new homeowners with the Portland Community Land Trust, and five others became new homeowners with Portland Habitat for Humanity. Additionally, 100 units of affordable senior housing and 18 affordable rental housing units with Northwest Housing Alternatives are now occupied.
- ◆ The Transitions to Housing pilot program helped homeless and poor single adults and families find and keep housing. This program targeted very low-income households who earn 0-20% of the median income. Nearly \$1 million in two years will provide short-term housing aid for approximately 650 households through agencies proposing innovative approaches to meeting this need.
- ◆ Through the Home Owner/ Home Buyer Anti-Displacement Pilot project, six long-term resident families of Interstate Corridor Urban Renewal Area became new homeowners; 16 others started the home-buying process; and 119 families received assistance to either stay in their housing or move to more affordable housing in the neighborhood.

SUMMARY OF BUDGET DECISIONS

The Adopted Budget continues to respond to decreasing and limited resources, the bureau's strategic direction, assumption of new projects and grants and changing needs in programs and grant regulations. BHCD analyzed each program and the Adopted Budget includes a variety of reductions and changes in all program areas. There are no across-the-board reductions.

Program Changes

BHCD has accepted new challenges and responsibilities

The following are the major highlights of program changes in this budget.

- ◆ Housing priorities continue to focus on the lowest-income residents and the most critical of housing conditions. Reductions in this budget reflect that focus. The budget includes reductions in single family rehabilitation with no reductions in the affordable rental housing program.
- ◆ During 2000-01 the JOIN Camper Outreach project was expanded to all police precincts. This expansion of services is continued in this budget with an allocation of one-time funding from the Housing Investment Fund.
- ◆ Major reductions are budgeted in the Target Area Designation Program and the programs and projects which support the target areas. Reductions are included in the Storefront Improvement Program, Development Opportunity Strategy Program, Community Planning, Targeted Housing Code Enforcement and Nuisance Abatement. These reductions reflect the city's changing neighborhoods.
- ◆ Additional grant funds for homeless single adults have been moved from Multnomah County to the City. The bureau is now managing four multi-year McKinney Homeless grants.
- ◆ \$500,000 CDBG is set aside to begin responding to the match of \$5 million for infrastructure committed by the City in the HOPE VI grant application for the redevelopment of Columbia Villa by the Housing Authority of Portland.
- ◆ \$100,000 CDBG is provided for the Child Care Network Program as it stabilizes, expands and seeks permanent financing.
- ◆ CDBG funding of \$90,00 is included in the Community Development Program for support for the Brownfield Program and for a commercial district support pilot in North and Northeast Portland.

- ◆ The budget includes a 13.5% reduction in General Fund for Youth Employment services and a slight redistribution of resources to expand East Portland services.

Program Support **Changes in HCDC Program Support**

The Adopted Budget includes additional funding to support the increasing demands on the Housing and Community Development Commission.

FUNDING SOURCES

General Fund

The bureau administers City General Fund resources in the housing, homeless facilities and services, youth employment and involvement, and public safety program areas. General Fund resources for FY 2002-03 are budgeted at \$2,678,249. This budget includes the loss of one-time General Fund of \$80,000 for Homeless Camper Outreach which is replaced with Housing Investment Funds.

Grants

Entitlement Grants

The bureau administers four entitlement grants received by the City from the US Department of Housing and Urban Development:

- ◆ Community Development Block Grant (CDBG)
- ◆ Home Investment Partnership Program (HOME)
- ◆ Housing for People with Aids (HOPWA)
- ◆ Emergency Shelter Grant (ESG)

The CDBG entitlement is reduced by \$329,000 in this budget.

Program Income

The bureau also receives grant generated income for CDBG and HOME, which is included as a resource in the grant funds and used to support the bureau's programs. The total grant program income is \$375,000 less than the FY 2001-02 budget due to reduced estimated loan repayments, float loan interest and lien repayments.

CDBG carryover to FY 2002-03 is \$1.09 million, an increase of nearly \$800,000. The CDBG fund anticipates repayment of \$200,000 in infrastructure costs. HOME program income is reduced by \$35,000 to \$190,000.

Categorical Grants

The following non-entitlement categorical grants, local funds and other small grants are included in the bureau budget:

- ◆ Youthbuild Program
- ◆ McKinney Grants - four separate grants
- ◆ Lead Based Paint Hazard Control
- ◆ Technologies Opportunity Program
- ◆ Brownfields Showcase

Youthbuild is an annual grant. McKinney are grants for homeless single adults originally assumed from Multnomah County and the Housing Authority of Portland and now the responsibility of the bureau. Lead Based Paint is a new grant that provides funding for three years. This budget includes local funds from the Water Bureau supporting the Lead Abatement program. Carryover from the Brownfields Showcase grant is included and is supported with local funds and CDBG. In addition BHCD administers the Payment in Lieu of Taxes (PILOT) local funds.

Strategic Direction

RECENT TRENDS

Trends from the Consolidated Plan

As part of the development of the Consolidated Plan two years ago, the bureau analyzed new demographic data to determine if the perception that people in poverty are moving out of the inner city could be substantiated. The Multnomah County Mobility and Poverty Trends report was reviewed and serves as the basis for this analysis.

Key Findings of the Mobility and Poverty Trends Report

In summary, the report indicated the following trends:

Shifting poverty: East Portland and east Multnomah County are experiencing the sharpest increases in poverty and mobility.

Concentrations of Poverty: Although a trend is emerging of poverty moving to east Portland, east Multnomah County, and southwest Portland, these are not yet high poverty areas. The highest areas of poverty remain in inner northeast Portland, downtown Portland, and pockets in Portsmouth, Cully, and Powellhurst-Gilbert. In Gresham, the Rockwood area stands out as a high poverty area relative to the rest of the county. Between 1990 and 1996, Portland inner city neighborhoods have gained financial strength compared to the rest of the county.

Trending indicates movement of poverty from the inner city to suburbs.

Mobility Trends: On average, about half the people that live within a neighborhood have moved there within the last five years (i.e., movers). Out of all movers, 64.2% moved within the metro region from one neighborhood to another (local movers). About 30% of movers were not from this area and a little over 6% were from abroad. Local movers tended to move into inner northeast and east Portland and east Multnomah County, whereas people who moved in from outside of the Portland-Vancouver metropolitan area tended to settle in northwest, southwest, the lower portion of inner northeast and upper portion of inner southeast Portland.

This trending indicates a clear pattern of an increase of households in poverty in east and southwest Portland and east Multnomah County. There are declines in most other areas of Portland. Although these areas still have higher-than-average rates of poverty, a pattern of poverty decentralization is occurring.

SIGNIFICANT ISSUES

The bureau is facing several major issues in administering the housing and community development agenda in the city. These issues influenced the development of the Adopted Budget.

Continued reduction in base resources

BHCD base resources - CDBG and General Fund - continue to decline while other resources remain flat. This results in fewer resources to support ongoing needs as well as new and increasing demands on BHCD funds. The Adopted Budget includes a 2.5% reduction in CDBG entitlement, a 13.5% reduction in CDBG program income and a 7% reduction in General Fund. The situation is anticipated to continue in the near future.

Changing Neighborhoods

Involuntary displacement and movement of population impact the future direction of the bureau

The strong housing market in the Portland area and the anticipated redevelopment associated with the North Interstate urban renewal district are expected to increase property values in North and inner Northeast Portland at a faster rate than in the region generally. This rise in values will increase existing pressure on residential and commercial property owners and renters to relocate to lower cost neighborhoods. Recent demographic data supports anecdotal information that as inner-city neighborhoods redevelop and gentrify, lower income residents are moving to the edges of the city and near suburbs to find more affordable housing. East Portland neighborhoods have not received housing and community development services in the past and have major needs, such as infrastructure development. These two conditions affect all Bureau programs.

Target Area Designation Program - Community Partnership Initiatives Program

To address the changing character of Portland and the needs of its low- to moderate-income populations, the Target Area Designation Program is being phased out as existing target areas complete their work. In its place, a new model of community-directed development is being developed. The Community Partnership Initiatives Program will focus its efforts on low to moderate-income populations, regardless of whether they live in geographic proximity. It will identify populations and/or areas underserved by community resources and facilitate the community to identify and address community development concerns and issues.

Housing

The housing focus shifts from production to preservation

Affordable Housing Preservation

During the past decade, the City has made a substantial investment in affordable rental housing. At the same time, currently affordable units are moving out of range of lower income households. Shifting the emphasis towards preserving existing housing is a cost-effective strategy to achieve affordability goals. However, this limits the amount of funds available for production of new affordable housing units.

Preservation involves three related strategies:

- ◆ Preservation through sound property and asset management of the properties the City has made investments in the past decade
- ◆ Preservation of project-based Section 8 properties at risk of conversion
- ◆ Acquisition of currently affordable rental housing to secure it from market rent increases

Connecting People to Stable Housing

An emerging focus of the Housing Program is the development of strategies and programs that connect clients to appropriate and stable affordable housing. A key program within this area is the development of Housing Connections, a web-based housing information system, that creates a single system to link people to the thousands of diverse affordable units available. Other efforts include a focus on linking social service funding to capital funding to develop special needs housing, developing and tracking housing placement outcomes in the homeless service system, and exploring innovative strategies for short-term rent assistance through the Transitions to Housing pilot projects.

The Changing Economy

Oregon's High Unemployment Rate

Oregon has the highest rate of unemployment in the United States. The recession requires some special short-term efforts to address human needs and stimulate the hoped-for economic recovery. Although the bureau has fewer resources, it must think creatively and partner with others to prioritize activities and leverage funding that addresses the current crisis. The bureau's focus is on low- and moderate-income populations, often the most vulnerable during recessions.

Federal Acts and Regulations

Increased Enforcement of Federal Regulations

Addressing lead based paint hazards increases program costs

In September 2001, the City of Portland began complying with new federal regulations that address lead-based paint in affordable rental units assisted with federal funding. These regulations require that all work funded with federal resources be conducted in a lead-safe manner. In many cases, lead-based hazards must be completely addressed before a unit can be occupied.

These regulations affect many of the programs administered by the bureau including first time homebuyer, owner-occupied and multi-family rehabilitation, accessibility improvements for disabled and elderly households, and rental assistance programs. Generally, programs are completing fewer units with the same level of funding.

Restrictions on the Use of Community Development Block Grant

The CDBG fund restricts the percentage of resources that can be spent on public services (such as services for the homeless), and on administration and planning. These two spending caps have become an issue because lower total resources mean reduced spending on specific activities that are usually ongoing in nature and address high priorities of the City Council. Most BHCD programs are affected by these caps, including homeless and housing services, youth employment, workforce development, and community and targeted initiatives.

To reduce the pressure on the caps, the bureau will continue exploring and pursuing other options within the regulations.

MAJOR INITIATIVES

The City of Portland is the lead jurisdiction for development of the Consolidated Plan, a five-year plan submitted to the U.S. Department of Housing & Urban Development on behalf of the Portland Consortium (City of Portland, City of Gresham, Multnomah County).

HCDC

The inter-jurisdictional Housing and Community Development Commission (HCDC), a volunteer citizen commission, coordinates the Consolidated Plan process. Two years ago information gathered from the market analysis and housing needs assessment prepared by HCDC for the Consolidated Plan process indicates that the city has undergone considerable changes.

Overview of Changing Context

In the last decade, the Portland metropolitan area has experienced significant population growth and its economy enjoyed a sustained boom. These changes in the economic environment prompted BHCD to re-examine the place-based revitalization agenda it has pursued for the previous ten years, and begin a stabilization agenda more suited to the current socio-economic climate.

BHCD also recognizes that the City's safety net of housing and social services need to remain strong. The bureau is taking a holistic approach and is participating in developing systems of assistance that have workforce, childcare, housing, and transportation components. The bureau is committed to working closely with local government partners to address the safety net needs.

Strategic Direction

The bureau's FY 2002-03 budget continues to be guided by four strategic directions:

1. Safety Net for Those Most in Need
2. Access to Individual Opportunity
3. Affordable Housing Preservation
4. Changing Neighborhoods

These strategic directions recognize the changing needs of the community. They have not resulted in a wholesale change in programs but shift emphasis and program targeting. For example, although there is still a program component to provide homeowner rehabilitation loans, the income targeting, geographic targeting, and specific product terms are changing to respond to market factors and community needs.

The four strategic directions are detailed below. The bureau implements these strategic directions through its seven program areas. Specific program changes for FY 2002-03 can be found in the Overview of Programs section of the BHCD budget narrative.

Safety Net for Those Most in Need

Current assessments indicate that an increasing number of the city's residents need a housing and social services safety net.

There is demand for shelter and services for homeless populations. Currently, the City provides shelter and related services to homeless single adults. The City's safety net also includes housing services directed at prevention of initial and reoccurring homelessness by providing assistance with landlord-tenant and fair housing issues, directing homeless and inadequately housed people into stable housing, and offering emergency services.

Access to Individual Opportunity

Part of BHCD's core mission is to improve the lives of Portland's lower income individuals. At a minimum, this means providing access to stable housing and essential support services. At a more advanced level, this means providing access to quality training, education and resources that will allow people to build personal assets.

Affordable Housing Preservation

Affordable housing is an essential element of Portland's infrastructure, but new resources for affordable housing development are limited. In the past decade, federal funds and Housing Investment Fund dollars have permitted the City to produce several thousand units. Now BHCD is re-evaluating what proportion of public investment should be used to produce new affordable units and what should be spent to maintain the affordability of existing subsidized and market rate units. In the next year the emphasis continues to shift to maintenance and preservation of existing affordable units so they remain part of the viable stock of affordable housing. The long-term affordability concept endorsed by Council prompts BHCD to take steps to ensure that public investments will continue to provide affordable housing for the long term.

Changing Neighborhoods

Portland's neighborhoods have been experiencing a transformation, marked by shifts in population and wealth. Residents and merchants generally benefit from the reduced number of dilapidated buildings, increased property values, and healthier commercial districts. However, some residents and merchants have been forced to move or are facing involuntary displacement due to escalating rents and home prices in previously affordable neighborhoods. Additionally, the city has seen increasing numbers of poor people moving to outer-band neighborhoods, such as those in East Portland. Thus, there is a need to pursue programs to counter involuntary displacement and to ensure that services are provided wherever need is present.

MANAGEMENT GOALS & OBJECTIVES

This strategic direction recognizes the changing needs of our community which have brought about shifts in emphasis and programmatic targeting.

Management Objectives for FY 2002-03

The bureau plans to achieve the following objectives in FY 2002-03:

- ◆ Administer new HUD Lead Hazard Control grant and coordinate all resources for regional lead hazard reduction and capacity building.
- ◆ Continue to preserve and strengthen the current portfolio of assisted affordable rental housing through full development of the loan portfolio monitoring systems, technical assistance and training for property owners, and debt restructuring as needed.
- ◆ Implement Shared Outcomes for the Homeless Single Adult system.
- ◆ Strengthen programs that facilitate access to stable, appropriate housing by continuing the development and implementation of Housing Connections.
- ◆ Continue supporting the Transitions to Housing Pilot Project and complete the evaluation of the effectiveness of City-funded rental assistance programs.
- ◆ Implement a population-based community-directed project with the Latino Network. This project will organize Latino citizens and develop an action agenda to address issues specifically relating to this population.
- ◆ Pilot new programs designed to stabilize rapidly gentrifying neighborhoods.
- ◆ Undertake a pilot initiative in the Humboldt, Mississippi, Alberta and MLK commercial areas to maintain a healthy level of vitality primarily via promotional activities.
- ◆ In concert with the Portland Development Commission, develop a new Brownfield assessment program for the North Macadam District.

Ongoing Goals

The bureau continues to pursue the following ongoing goals:

- ◆ Maintain fiscal integrity and sound management of the City's housing and community development grant programs by providing the highest quality administrative services to achieve program goals.
- ◆ Manage federal and local funds in an efficient cost-effective manner, striving to minimize administrative costs.
- ◆ Continue a multi-year, open allocation process to select service providers to ensure effective and efficient provision of services and to provide opportunities for new innovative service models to receive support.

COUNCIL PRIORITIES

Council Issues and Priorities

The bureau's operations support the following Council goals:

- ◆ **Ensure decent, affordable housing:** The objective of the bureau's Housing Program is to improve, preserve and increase the city's housing stock, targeting housing needs of low and moderate-income households and neighborhoods. The major focus of the program has been in housing development; homebuyer programs, homeowner rehabilitation, rental production and rehabilitation, special needs housing, lead hazard reduction, and developing an access-to-housing program.
- ◆ **Build a livable city through good planning and well-managed growth:** The bureau supports a livable city with funding of City planning work by the Planning Bureau, enhanced citizen participation in low-income districts, the planning efforts of the Community Partnership Initiatives, and the development goals of affordable housing projects (e.g., transit supported, mixed use development).
- ◆ **Support quality education to produce well educated citizens:** The bureau's Youth Employment and Involvement Program area provides at-risk young people with year-round education, training, work experience, leadership development opportunities and support to enable them to succeed educationally and prepared to enter the workforce.
- ◆ **Promote economic vitality and access to quality jobs for all:** The bureau supports the City's economic development efforts by focusing its resources on programs that benefit low-income residents and promote the economic revitalization of targeted neighborhoods. Microenterprise programs assist new entrepreneurs and at-risk small businesses. Workforce development focuses on linking low-income residents to employment opportunities through skills development, and the implementation of target industry and sectoral strategies.
- ◆ **Ensure a safe and peaceful community:** The bureau supports this Council priority by encouraging cooperation and partnership in all community development programs and by supporting public safety activities which are community based.
- ◆ **Promote the inclusion of under-represented neighborhoods and groups in participation in city activities and services:** The bureau's program work is directed and dedicated to the inclusion of under-represented and low-income neighborhoods, groups and individuals to participate in activities and programs. Specifically, the Target Area Designation program provides support to selected low and moderate income neighborhoods to plan for and carry out a multi-year program of neighborhood revitalization and/or stabilization activities including access to several City-funded programs. The new Community Partnerships Initiatives works with Portland's growing Latino community and areas in East Portland.
- ◆ **Become a more effective partner in the region:** The bureau supports partnering with other jurisdictions in the region by being the lead in the HOME consortium and the HOPWA grant and by supporting the Housing and Community Development Commission. With trends showing shifts of poverty to the outer bands of the city, the bureau is increasing its work with adjacent cities and counties to look at the needs on a partnership basis.

Overview of Programs

HOUSING PROGRAMS

Description

The objective of the Housing Program Area is to improve, preserve, and increase the city's housing stock, targeting housing needs of low and moderate-income households and neighborhoods. The program area includes both capital funding for housing development and social services related to housing. The major focus of the program has been in housing development: homebuyer programs, homeowner rehabilitation, rental production and rehabilitation, and special needs housing.

Housing services include information and referral, education, fair housing, access to housing and housing counselling services for low and moderate-income households.

Housing programs focus primarily on developing and preserving housing for those with the greatest need, including those that have historically had limited access to housing or that are particularly vulnerable to housing loss.

Changes to Services and Activities

This budget continues the current level of service for most Housing programs. Reductions in the CDBG funded Housing Program total \$376,145 or 4%. Changes in the Housing Program are:

- ◆ Homebuyer Program - reduction in the program delivery costs at PDC which are no longer needed.
- ◆ Homeowner Rehabilitation - estimated cuts in program and support costs.
- ◆ Enterprise and Housing Authority staff support - reductions are based on less activity in these projects.
- ◆ Housing and Community Development Commission - increased costs to provide support for the Commission and its five sub committees on housing and homeless issues.

The HOME Fund entitlement is the same and program income estimates are reduced for a total Fund reduction of \$35,000 for housing development.

ECONOMIC DEVELOPMENT

Description

The City's Economic Development program mission is to increase economic opportunities, create and retain wealth, and promote healthy neighborhoods for all city residents. BHCD's Economic Development program supports these efforts by focusing its funding on programs which benefit low income residents and promote the physical and economic revitalization of targeted neighborhoods. Revitalization programs continue to primarily focus on North, Northeast and Outer Southeast Portland. The Brownfield Showcase supports these efforts. Micro-enterprise programs assist new entrepreneurs and at-risk small businesses. Workforce development focuses on linking low-income residents to employment opportunities through skills development, and the implementation of target industry and sectoral strategies. Childcare is an important component of both economic development and workforce development.

Changes to Services and Activities

Community Economic Development

This budget reduces the level of service for the Storefront and Development Opportunity Strategies (DOS) programs by 37% as two of the five target areas which these programs serve are graduating during FY 2002-03.

This budget includes funding for the Brownfield Program and a pilot initiative to work with the commercial areas in North and Northeast Portland. These two programs total \$90,000 in requested CDBG funding.

Workforce Development

One-time funding is included for the Child Care Network program in the amount of \$100,000 to continue the work of the program while it seeks permanent funding.

NEIGHBORHOOD IMPROVEMENTS

Description

The Neighborhood Improvement Program Area provides funding for capital and other projects which have a long term effect on neighborhoods. Types of projects include residential street and drainage construction in conjunction with affordable housing projects, neighborhood park development and construction, construction and rehabilitation of public facilities and major community planning projects.

Changes to Services and Activities

Infrastructure Changes

The Street Improvement Program includes funding for construction of the SE Pine/122nd project and construction funding for sidewalks on NE Prescott for a park improvement project. Additional one-time carryover funds for capital projects are budgeted including funds in the amount of \$500,000 for infrastructure improvements to provide match for the Housing Authority Columbia Villa redevelopment project (a HOPE VI grant).

Non Profit Facilities Program

This budget includes \$120,000 CDBG funding for additional non-profit facilities improvements.

HOMELESS FACILITIES & SERVICES

Description

The Homeless Facilities and Services Program Area supports the community's continuum of care for homeless individuals and families. Program activities include outreach services to homeless campers and individuals living on the streets with mental illness, winter emergency shelter, homeless shelter services, including special services to individuals with mental illness, transitional housing and rent assistance, housing placement into permanent housing, and the development and operation of homeless facilities for all homeless populations. The City of Portland has taken primary responsibility for development of facilities.

The City provides funding, coordination, contract management, and planning services for homeless single adults. The City provides some funding to Multnomah County for services for homeless youth and homeless families. Contractors in the single adult system underwent a revisioning process for FY 2002-03. The result is enhanced services that better respond to placing homeless people in housing, helping them maintain that housing, and increasing efforts to prevent homelessness for those who are at a high risk.

Changes to Services and Activities

This budget reflects some adjustments to funding priorities that support the results of the revisioning process for the homeless single adult system. This will result in coordinating resources to increase effectiveness in ending people's homelessness.

- ◆ Reduction of CDBG funding for the Multnomah County Clearinghouse Vouchers, both administrative support for the Clearinghouse and funding for vouchers.
- ◆ Reduction of Discretionary funding for a caseworker at Transition Projects, Inc., employed by the Hispanic Access Center.
- ◆ Reduction of Discretionary support for a tenant liaison position at REACH/Rose Apartments.
- ◆ Continued funding for the JOIN Homeless Camper Outreach expansion with one-time Housing Investment Fund dollars.

Program Increases

Homeless Single Adults

\$230,000 added to homeless single adult services

An additional HUD McKinney Supportive Housing Grant, transferred from Multnomah County, resulted in an increase in funding for transitional housing for homeless individuals.

YOUTH EMPLOYMENT & INVOLVEMENT

Description

The Youth Employment and Involvement Program provides at-risk young people year-round education, training, work experience, leadership development opportunities, and support to enable them to succeed educationally and be prepared to enter the workforce. It also provides support and assistance for finding and keeping a job and meaningful opportunities to become involved and assist in improving their communities.

Changes to Services and Activities

Discretionary funding for Youth Employment and Involvement services are reduced by 13.5% from the current service level. This will impact the number of youth served and the quality of youth employment services throughout the City. In addition to reductions, resources will be redistributed to expand services in East Portland. The two major reductions will impact up to 50 youth.

- ◆ work systems, inc Comprehensive Program will eliminate funding for one program for targeted populations.
- ◆ The County Youth Employment and Empowerment Program may eliminate funding for one agency providing services to high-risk youth.

Youthbuild Categorical Grant

New funding for the Youthbuild Categorical grant is \$500,000, of which \$400,000 is included in the FY 2002-03 budget. Funding for this grant has decreased from a previous award of \$700,000.

PUBLIC SAFETY

Description The Public Safety Program Area provides services for victims of crime and violence, gang prevention and intervention, community corrections, community policing, and other services that are community-based and related to the corrections and law enforcement systems. All programs remain at the current service level.

COMMUNITY & TARGETED INITIATIVES

Description The Community and Targeted Initiatives Program supports low- to moderate-income communities and neighborhood residents to develop and implement strategies to address self-identified needs. This work is done primarily by combining BHCD and community resources and providing support to neighborhood and community based non-profit organizations to carry out strategies and programs

Changes to Services and Activities

Community Partnership Initiatives Service Area

This is a newly created program to provide community directed services to low-to-moderate income populations. Total funding for this service area is \$102,000 for two projects. The current project works with the Latino Network to organize, plan and carry out activities designed to serve the growing Latino population in Portland. The second project will focus in East Portland on outreach and leadership development in response to the increasing needs in that area.

Target Area Designation Service Area

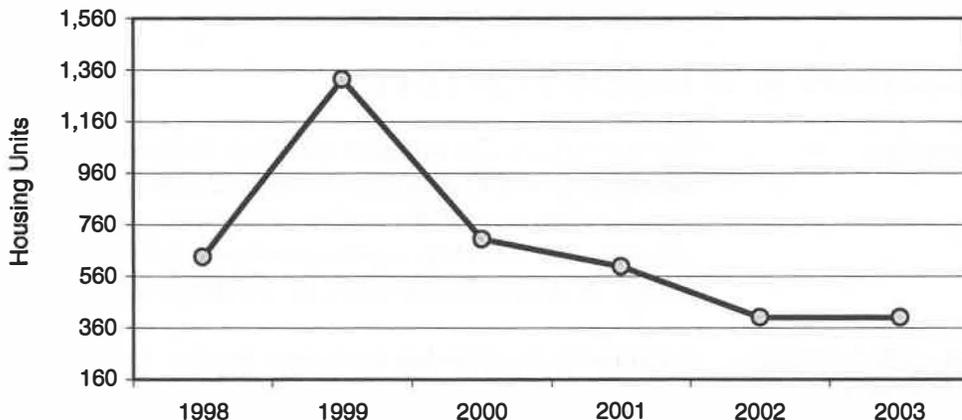
This budget reduces funding for this program by \$219,000 to account for the graduation of four neighborhoods from the program and the reduced need for technical assistance. This program is being phased out as target areas complete their funding cycle.

Targeted Neighborhood Assistance Service Area: This function is reduced due to fewer target areas and a reduced need for services to support the target areas. This includes Targeted Housing Code Enforcement and Targeted Nuisance Abatement activities.

Performance Measures

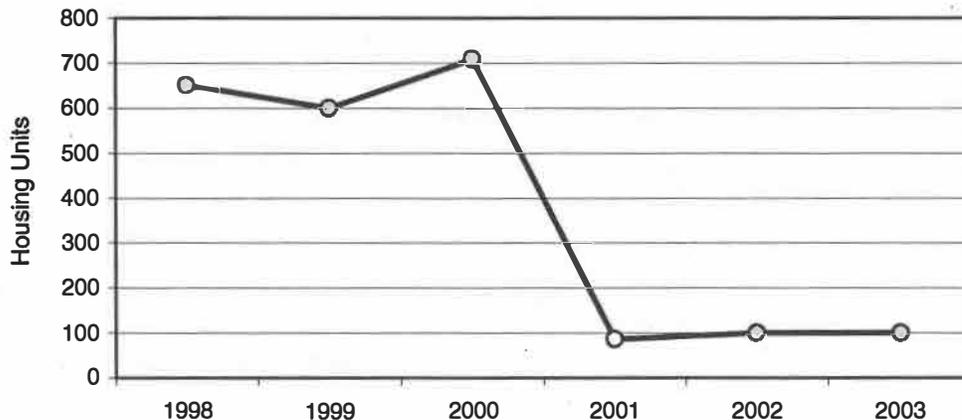
Number of new housing units built

- ◆ Housing development will continue to decrease due to changes in local resource allocations.



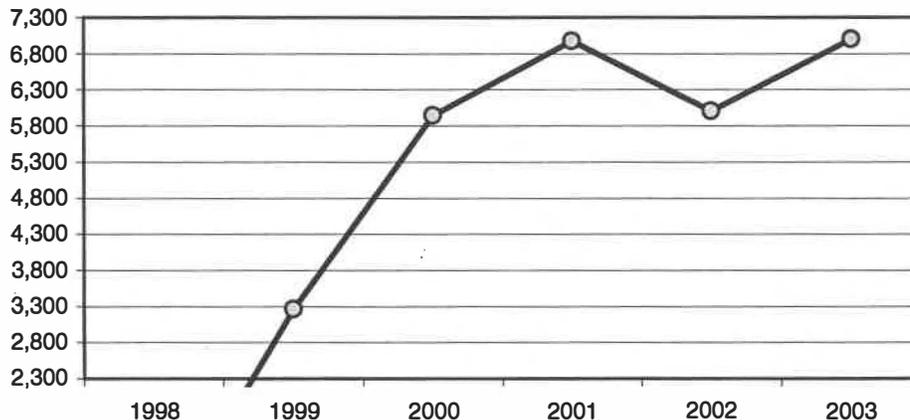
Number of rehabilitated housing units

- ◆ Work load target is dropping significantly due to impact of lead paint regulations.

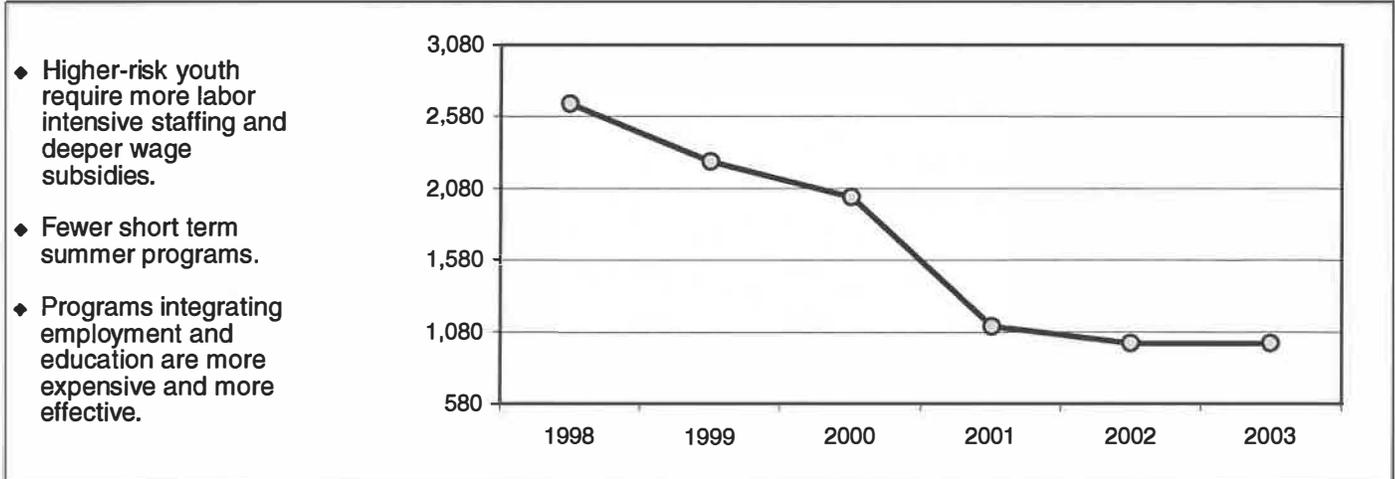


Number of unduplicated single adults provided emergency shelter and transitional housing

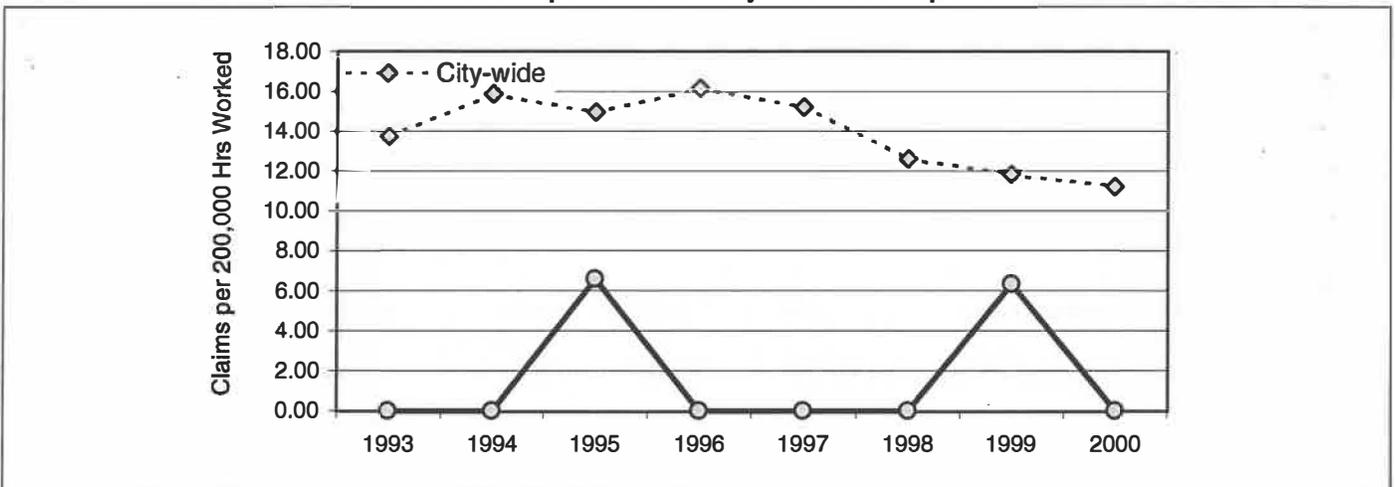
- ◆ Unduplicated count is unavailable prior to the 1999 implementation of a sophisticated information collection system for homeless single adults
- ◆ The City continues to provide a continuum of care from outreach and shelters to transitional and permanent housing.



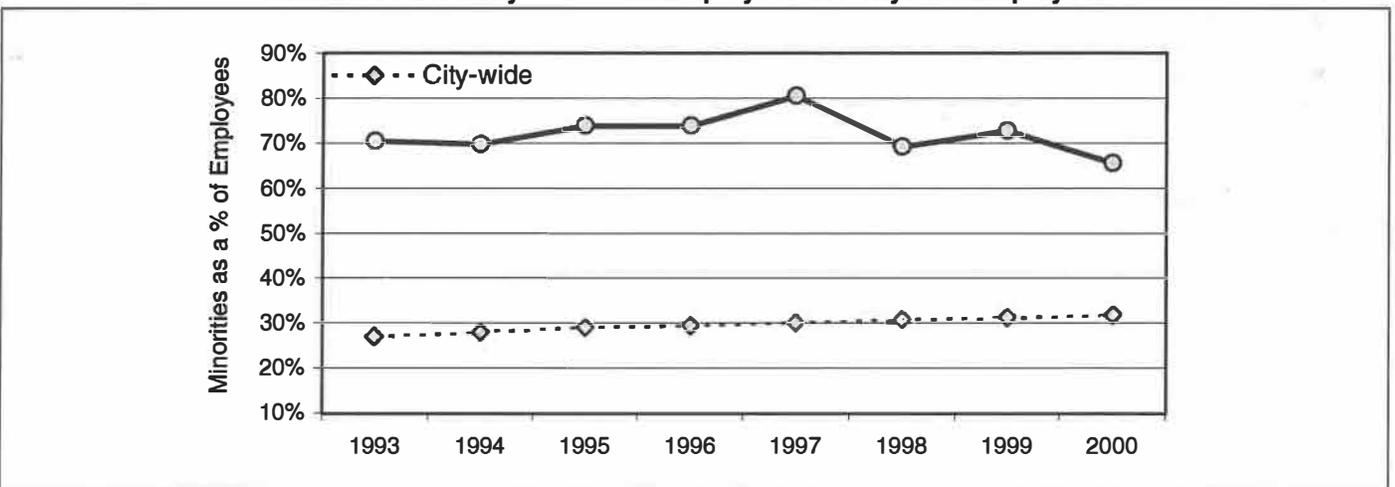
No. of youth placed in summer or year round employment



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



Bureau of Housing and Community Development AU 540

PERFORMANCE MEASURES

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF HOUSING AND COMMUNITY DEVELOPMENT						
Affirmative Action Measures						
Affirmative Action - Minority	29.4%	29.4%	30.0%	33.3%	30.0%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	64.7%	64.7%	65.0%	71.4%	70.0%	
Female Employees as a Percent of Total						
Bureau of Housing and Community Development						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	6.30	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	0.00	6.30	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.28	\$0.00		
Housing Programs						
Workload						
New Housing Built	633	1,322	703	596	400	400
Housing units rehabilitated	652	600	708	86	100	100
Effectiveness						
Households assisted experiencing improved housing stability	80%	79%	80%	80%	80%	80%
Efficiency						
Average BHCD funds invested per unit on rehab housing.	\$6,179	\$7,000	\$14,421	\$21,860	\$22,000	\$22,000
Average BHCD funds invested per unit on new housing	\$21,309	\$25,000	\$17,775	\$24,664	\$32,000	\$32,000
Economic Development						
Workload						
Development Opportunity Strategies (DOS) completed	15	13	9	6	14	6
Effectiveness						
Private dollars leveraged for every Development Opportunity Strategy dollar spent	\$14	\$12	\$9	\$6	\$12	\$4
Efficiency						
Projects underway	8	8	5	3	7	3
Neighborhood Improvements						
Workload						
Sidewalk/Street miles designed	0.64	0.09	0.16	0.00	0.42	0.44
Effectiveness						
Street miles constructed	1.30	0.64	0.09	0.16	0.00	0.42
Sidewalk miles constructed	2.10	1.20	0.20	0.32	0.00	0.10
Efficiency						
Streets Marketed/Constructed	50%	NA	50%	100%	100%	100%

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Homeless Facilities & Services						
Workload						
Number of unduplicated single adults provided emergency shelter and transitional housing.	NA	3,260	5,944	6,977	6,000	7,000
Effectiveness						
Homeless individuals moved from shelters to more stable or permanent housing	1,000	1,030	1,302	1,900	2,000	2,000
Efficiency						
Adults in permanent housing after 6 months	500	500	500	973	1,000	1,200
Youth Employment & Involvement						
Workload						
Youth placed in subsidized or unsubsidized summer or year round employment.	2,666	2,263	2,018	1,117	1,000	1,000
Effectiveness						
# of youth entering employment or continuing education	1,066	1,200	1,018	549	575	575
Efficiency						
Cost per youth placed in employment or continuing education.	\$1,028	\$961	\$1,547	\$2,691	\$1,600	\$1,600
Public Safety						
Workload						
Number of transports		2,985	3,359	3,871	3,000	3,000
Effectiveness						
Unduplicated clients		1,322	1,374	1,405	1,350	1,350
Community & Targeted Initiatives						
Workload						
Number of Community Initiative Projects started	19	25	24	19	20	20
Effectiveness						
Community Initiative projects successfully completed	86%	87%	89%	87%	88%	88%
Efficiency						
Percent of resources leveraged by Community Initiative projects	183%	190%	200%	198%	200%	200%

Bureau of Housing and Community Development AU 540

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,291,058	1,506,709	1,685,791	1,774,211	1,774,211
External Materials and Services	6,530,324	7,566,910	10,038,270	7,042,172	7,042,172
Internal Materials and Services	180,449	187,294	376,319	166,690	166,690
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	4,000	0	0	0	0
Total Operating Budget	8,005,831	9,260,913	12,100,380	8,983,073	8,983,073
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 8,005,831	\$ 9,260,913	\$ 12,100,380	\$ 8,983,073	\$ 8,983,073
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	8,005,831	9,260,913	12,100,380	8,983,073	8,983,073
RESOURCES					
General Fund Discretionary	2,758,912	2,610,186	3,133,853	2,678,249	2,678,249
Non-Discretionary Revenues					
Grants & Donations	3,297,783	4,188,829	6,433,992	3,699,709	3,699,709
Contract Revenues	319,473	397,559	380,000	393,000	393,000
Interagency Revenues	1,629,397	2,049,361	2,065,481	2,210,115	2,210,115
Program Revenue	266	14,978	87,054	2,000	2,000
Total Non-Discretionary Revenues	5,246,919	6,650,727	8,966,527	6,304,824	6,304,824
TOTAL GENERAL FUND RESOURCES	8,005,831	\$ 9,260,913	\$ 12,100,380	\$ 8,983,073	\$ 8,983,073
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Housing Programs	1,532,571	3,537,435	3,811,621	3,756,881	3,756,881
<i>Positions</i>	7	10	12	10	10
Economic Development	477,657	511,638	2,083,109	256,551	256,551
<i>Positions</i>	2	2	3	3	3
Neighborhood Improvements	0	69,110	87,487	32,759	32,759
<i>Positions</i>	1	1	1	0	0
Homeless Facilities & Services	2,279,432	2,923,574	3,594,257	3,076,590	3,076,590
<i>Positions</i>	2	2	2	2	2
Youth Employment & Involvement	1,744,023	1,362,176	1,744,339	1,181,955	1,181,955
<i>Positions</i>	2	2	1	0	0
Public Safety	378,101	442,001	412,073	432,650	432,650
<i>Positions</i>	1	1	0	0	0
Community & Targeted Initiatives	0	408,361	367,494	245,687	245,687
<i>Positions</i>	5	4	3	3	3
BHCD Administration	1,594,047	6,618	0	0	0
<i>Positions</i>	0	0	0	3	3
TOTAL PROGRAMS	\$ 8,005,831	\$ 9,260,913	\$ 12,100,380	\$ 8,983,073	\$ 8,983,073
<i>Positions</i>	18	21	21	22	22
<i>General Fund Discretionary Positions</i>	0	0	0	0	0

Bureau of Housing and Community Development AU 540

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	772,835	885,865	1,138,879	1,193,558	1,193,558
512000 Part-Time Employees	63,773	89,386	119,120	129,112	129,112
514000 Overtime	245	0	0	0	0
517000 Benefits	325,746	374,445	427,792	451,541	451,541
518000 Paid Absence	128,459	157,013	0	0	0
Total Personnel Services	1,291,058	1,506,709	1,685,791	1,774,211	1,774,211
Materials and Services					
External Materials and Services					
521000 Professional Services	50,488	24,453	30,631	24,250	24,250
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	2,322	26	2,388	1,867	1,867
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	6,387,100	7,343,225	9,828,566	6,808,624	6,808,624
531000 Office Supplies	8,060	10,160	7,443	7,685	7,685
532000 Operating Supplies	4,095	212	3,900	6,466	6,466
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	27,205	13,414	4,615	3,099	3,099
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	8,237	10,619	9,334	20,355	20,355
541000 Education	10,419	8,652	7,617	6,984	6,984
542000 Local Travel	6,250	8,296	8,682	8,900	8,900
543000 Out-of-Town Travel	4,549	9,926	13,250	13,862	13,862
544000 Space Rental	0	80,203	92,825	96,199	96,199
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	21,599	57,724	29,019	43,881	43,881
Total External Materials and Services	6,530,324	7,566,910	10,038,270	7,042,172	7,042,172
Internal Materials and Services					
551000 Fleet Services	3,419	3,461	5,665	5,665	5,665
552000 Printing & Distribution	35,602	27,288	32,526	31,354	31,354
553000 Facilities Services	82,186	22,321	2,150	2,153	2,153
554000 Communications Services	14,420	25,226	17,340	21,009	21,009
555000 Data Processing Services	22,806	44,574	50,129	49,468	49,468
556000 Insurance	22,016	28,320	27,830	33,597	33,597
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	20,979	23,444	23,444
559000 Other Fund Services	0	36,104	219,700	0	0
Total Internal Materials and Services	180,449	187,294	376,319	166,690	166,690
Total Materials and Services	6,710,773	7,754,204	10,414,589	7,208,862	7,208,862
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	4,000	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 8,005,831	\$ 9,260,913	\$ 12,100,380	\$ 8,983,073	\$ 8,983,073

Bureau of Housing and Community Development AU 540

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	1	0	0	0	0	0	0	0
515	Accountant II	1	1	1	46,391	0	0	0	0
815	Administrative Specialist	1	0	0	0	0	0	0	0
922	Administrative Supervisor II	1	1	1	59,237	1	55,885	1	55,885
826	Assistant Financial Analyst	0	1	1	52,243	2	108,305	2	108,305
962	Assistant Program Specialist	4	3	3	130,433	0	0	0	0
7480	Community Development Director	1	1	1	89,856	1	72,662	1	72,662
7490	Community Relations Assistant	0	0	0	0	3	127,617	3	127,617
100	Office Support Specialist I	0	1	1	31,450	1	32,489	1	32,489
104	Office Support Specialist III	0	0	0	0	1	37,194	1	37,194
966	Program Coordinator	1	2	1	47,883	1	46,628	1	46,628
968	Program Manager I	3	4	4	239,394	4	244,895	4	244,895
970	Program Manager II	2	1	1	66,061	1	68,236	1	68,236
971	Program Manager III	0	1	1	68,253	1	71,361	1	71,361
964	Program Specialist	2	5	6	307,678	6	328,286	6	328,286
221	Secretarial Clerk II	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		18	21	21	\$ 1,138,879	22	\$ 1,193,558	22	\$ 1,193,558

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	9,147,697	0	9,147,697	22.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	0
Mayor's Proposed Budget Decisions	(54,624)	0	(54,624)	0.0	Single Homeless Adults
	(109,630)	0	(109,630)	0.0	Youth Employment & Involvement
	(370)	0	(370)	0.0	BHR Training Reduction
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	(164,624)	0	(164,624)	0.0	Total FY 2002-03 Decision Packages
			\$ 8,983,073	22.0	Total Adopted Budget
FY 2002-03 Reduction Packages Not Accepted	(34,747)	0	(34,747)	0.0	Domestic Violence Coordination
			\$ (34,747)	0.0	Total Decision Packages Not Funded

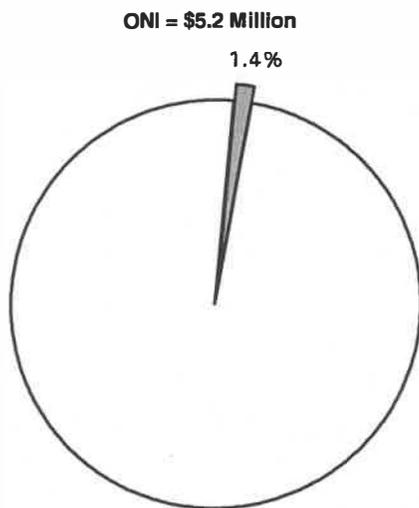
Office of Neighborhood Involvement

Community Development Service Area

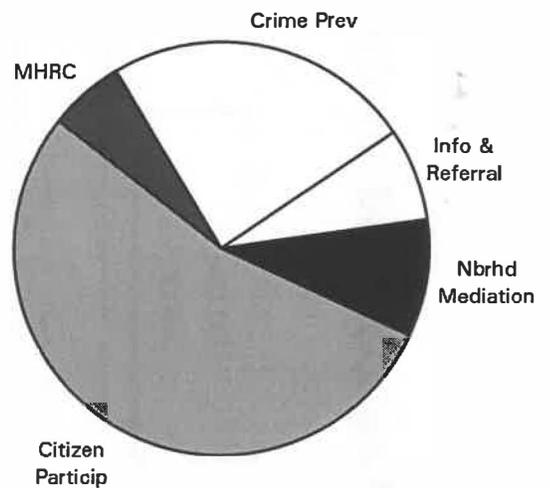
Jim Francesconi, Commissioner-in-Charge

David Lane, Director

Percent of General Fund



Bureau Programs

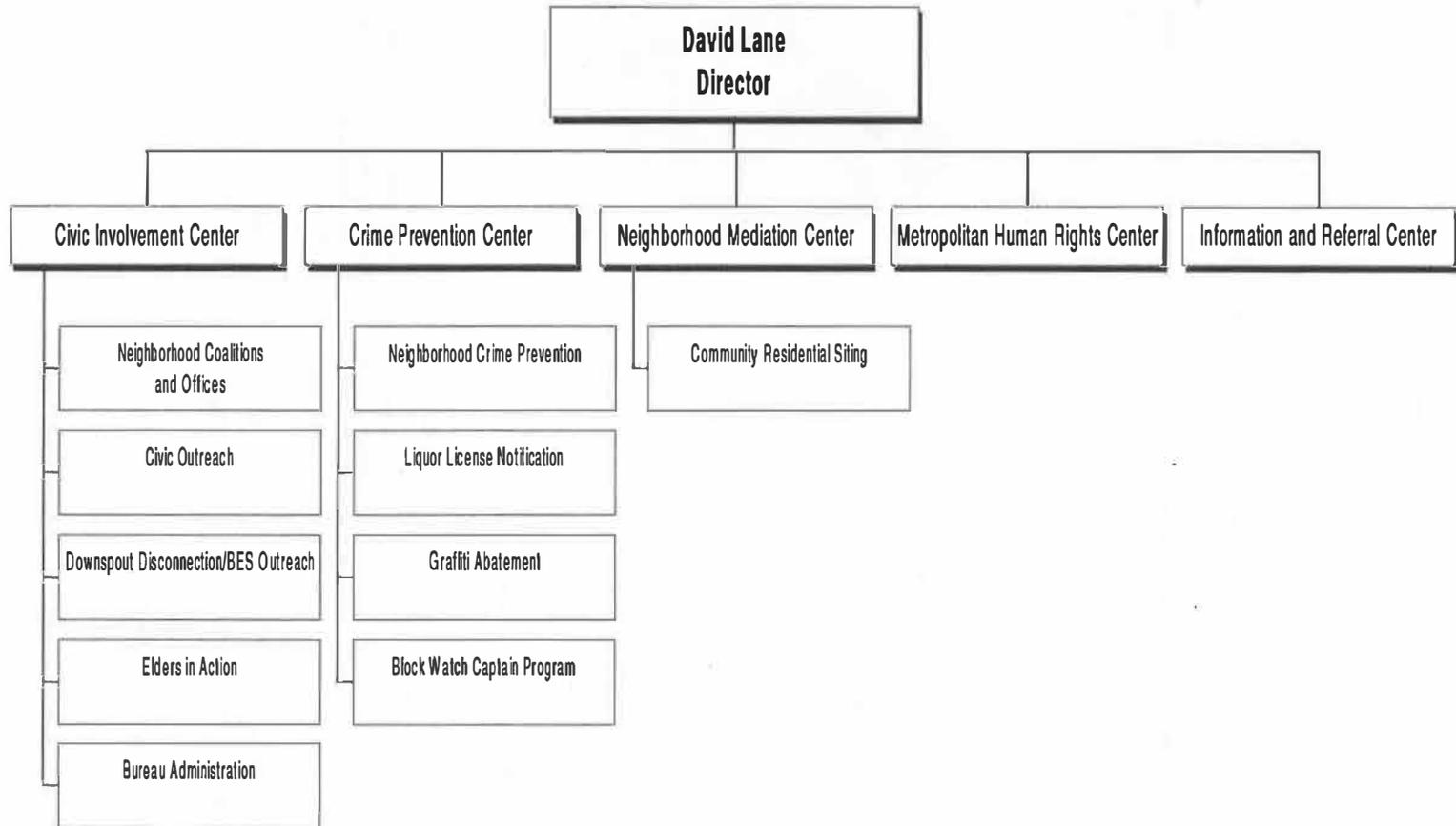


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	5,260,552	5,194,089	-66,463	-6.6%
Capital	0	0	0	0.0%
Allocated Overhead Costs	92,145	129,977	37,832	33.4%
Total Cost with Allocated Overhead	\$ 5,352,697	\$ 5,324,066	\$ -28,631	-6.0%
Authorized Full-Time Positions	44	46	2	-1.2%

Note: Per capita change values are adjusted for inflation and population growth.

Office of Neighborhood Involvement



Bureau Summary

BUREAU MISSION

The Office of Neighborhood Involvement mission is to *enhance the quality of Portland's neighborhoods through community participation*. The Office of Neighborhood Involvement is the service bureau that provides opportunities for all Portland neighbors to interact with their City government in building safe and livable neighborhoods. The Bureau supports seven neighborhood offices and 95 recognized neighborhood associations. The Bureau also works with the 40 neighborhood business associations. The Bureau's overall ethic is to facilitate an open, inclusive community process for discussion of important civic decisions among neighbors, neighborhood associations, businesses, and government.

VISION AND VALUES

ONI staff are committed to, and are guided by, the following values:

- ◆ Advocating for collaborative, fair, and accessible community processes.
- ◆ Fostering community-centered activism.
- ◆ Embracing diversity, understanding, and mutual learning.
- ◆ Communicating in a respectful and timely manner.
- ◆ Providing service with integrity.
- ◆ Establishing a climate of equality, respect, and community empowerment.
- ◆ Promoting a safe and healthy environment for everyone.

BUREAU OVERVIEW

The Office of Neighborhood Involvement (ONI) is a fundamental resource for citizens and City staff in the areas of neighborhood and citizen involvement. ONI's purpose is to enhance the quality of Portland's neighborhoods through better community participation. ONI's programs and support are a key way that neighbors get their voices heard in City Hall. To achieve this, ONI provides a range of programs and services related to citizen participation and neighborhood and community livability. At the core of ONI's programs is our citizen participation program that supports the 95 recognized neighborhood associations and seven neighborhood offices. ONI is organized into five centers: Citizen Participation, Crime Prevention, Neighborhood Mediation, Metropolitan Human Rights, and Information and Referral.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Overview

The Office of Neighborhood Involvement (ONI) works to enhance the quality of Portland's neighborhoods through community participation. Since 1974, ONI has worked to support, improve and increase the community-wide dialogue around important civic issues. This is done through a variety of means, such as working with neighbors, neighborhood associations, coalitions, business associations and community partners to maintain and improve the livability of Portland's neighborhoods. ONI also works with City bureaus to ensure citizens have an active voice in important decisions, goal setting, and planning for Portland.

*Meeting ONI's budget
reductions*

To meet the challenges of the FY 2002-03 budget, ONI engaged in an extensive public process to determine how to maintain essential services while meeting budget reduction requirements. The bureau used an employee-management budget advisory committee, a Bureau Advisory Committee, and other constituencies to gather input and solutions for this year's budget. Based on discussions and recommendations from this process, ONI's budget reflects the desire to maintain services, build on the existing neighborhood network, and take a programmatic approach to budget reductions. The ONI budget provides for a range of programs and services related to public participation, crime prevention, mediation, human rights, information and referral, and administration.

SUMMARY OF BUDGET DECISIONS

The FY 2002-03 Adopted Budget represents continuation of all ONI programs. Overall, there is a reduction of 2.13 FTE from the General Fund support in the Mediation Center and the Citizen Participation Center. Specific highlights by center include:

**Citizen Participation
Center**

FY 2002-03 brings a decrease of .8 FTE in the Neighborhood Outreach program which will be funded by the Bureau of Environmental Services rather than General Fund resources. There is also a decrease of 0.33 FTE in administration for clerical support and a 4% reduction in the Elders in Action contract. The decrease in administrative support will limit the technical assistance ONI is able to provide to coalitions, neighborhood associations, and other City bureaus.

**Crime Prevention
Center**

The FY 2002-03 Adopted Budget maintains Crime Prevention FTE at its current service level. The Graffiti Abatement project funding level is maintained at CSL as is the Liquor License Neighborhood Notification partnership with the Bureau of Licenses and the Portland Police Bureau. There is, however, a 4% reduction in the contract with the Association for Portland Progress for downtown crime prevention services.

Mediation Center

There is a decrease of 1.0 FTE in the Mediation Center. This will impact NMC's ability to mentor volunteers and may decrease the number of neighbor-to-neighbor mediation cases resolved. There is a small reduction in administrative costs for the Community Residential Siting program.

**Metropolitan Human
Rights Center**

The MHRC will relocate from its City Hall location to the King Facility in northeast Portland to save bureau facilities charges by allowing the Information and Referral (I&R) program to move out of the Portland Building. The relocation and the corresponding move of I&R will result in savings in FY 2002-03 and in future years. However, the unexpected reduction of MHRC funding from Multnomah County will have an impact on FTE for this program with the final impact expected to be a loss of 2.5 FTE in MHRC.

**Information and
Referral**

The Information and Referral program will relocate from the Portland Building to City Hall to save facilities costs by vacating the Portland Building.

FUNDING SOURCES

The majority (71%) of ONI's resources comes from the General Fund. ONI's Information and Referral program is supported by \$166,776 in General Fund overhead. ONI also receives funding from other City bureaus and from outside sources. These include the following:

- ◆ \$473,375 from the Bureau of Environmental Services for the Downspout Disconnection program and for neighborhood outreach associated with BES watershed projects and programs.
- ◆ \$76,000 from the Bureau of Licenses for the Liquor License Notification program.
- ◆ \$127,000 from the Bureau of Housing and Community Development for the Community Residential Siting Program, the North Portland Latino Network project, and St. John's target area.
- ◆ \$8,033 from the Police bureau for the Block Watch Captain Program.
- ◆ \$7,800 from the Parks Bureau for projects in North Portland.
- ◆ \$323,511 from Multnomah County for MHRC, the Community Residential Siting program, North Portland Neighborhood Services Caring Community program, and the Information and Referral Center.
- ◆ \$265,780 from the Office of Sustainable Development for Bulky Waste Cleanup in the Central Northeast Neighbors coalition area.
- ◆ \$10,600 from the State of Oregon for the Community Residential Siting program.
- ◆ \$35,500 as a federal grant pass-through to the Immigrant and Refugee Community Organization of Oregon (IRCO) for the Metropolitan Human Rights Center.

BUDGET NOTES

Neighborhood Mediation

Neighborhood Mediation will be budgeted in ONI for FY 2002-03. Delivery of mediation services shall be subjected to a request for proposal purchasing process. A report on the alternative delivery model, including implementation date, will be presented to Council by September 1, 2002.

Crime Prevention

Continued funding for the Crime Prevention program within ONI is dependent upon successful management of workloads and schedules, and curtailment of overtime.

Strategic Direction

MAJOR INITIATIVES

ONI Efforts The following three initiatives are the top priority for the bureau in FY 2002-03.

Improve the citizen and public involvement process

ONI will work with neighborhood associations, district coalition and neighborhood offices, business associations, City bureaus, Council offices, and other community partners to maximize opportunities for neighbors to become involved in the public involvement process. From the coalitions to ONI e-notification, liquor license neighborhood notification to community residential siting, from the disability project to graffiti abatement, ONI staff will continue to strive to reach every neighbor so that each person's voice can be heard. This effort will include revising the ONI Guidelines for neighborhood involvement that will be approved by Council in FY 2003. These Guidelines direct and support the neighborhood system and how it operates.

ONI's objective is to strengthen and expand public involvement.

Widen the neighborhood involvement process

ONI will work to increase involvement by neighbors who typically have not participated in the City's public involvement process. ONI's Metropolitan Human Rights Center and its Refugee/Immigrant Program will continue to partner with IRCO on the Project Interwoven Tapestry grant. ONI will work with the coalitions to improve and increase access to information about Portland through new technologies such as e-notification and e-democracy. In addition, ONI will coordinate plans from the seven neighborhood offices that would implement outreach programs to ethnic and cultural communities, new neighbors, and renters.

Partner ONI's neighborhood involvement expertise with other City bureau activities

ONI will partner actively with other City bureaus to coordinate the public outreach and involvement process and to use the neighborhood structure and coalitions so that neighbors have an active voice and clear information about important civic issues. ONI staff will partner with other City bureaus such as the Bureau of Housing and Community Development, the Bureau of Environmental Services, and other City programs such as the River Renaissance management team and the CIP process to provide more outreach, improve involvement, and to look for opportunities to partner on projects to maximize City resources.

MANAGEMENT GOALS & OBJECTIVES

Major Bureau Objectives for 2002-2003

During FY 2002, the bureau engaged in strategic discussion about programs and services to address the City's budget shortfall. In addition, each Center re-examined its priorities and direction to ensure maximum, effective public involvement and service delivery for its programs. For FY 2003, the bureau has the following general objectives:

- ◆ Support the work of the neighborhood associations and coalitions.
- ◆ Increase access and involvement by under-represented neighbors in Portland's neighborhood system.

- ◆ Develop plans for working across centers on common bureau objectives and neighborhood projects.
- ◆ Support the ONI Guidelines Review process.
- ◆ Implement ASR recommendations for public involvement as accepted by Council and directed by OMF.
- ◆ Implement changes in program service delivery as directed by Council.
- ◆ Strengthen our partnerships with other bureaus to maximize public involvement and meet Council objectives.

Specific Center Objectives

Each of ONI's five program centers developed specific objectives to accomplish during 2001-2002. Many of these are currently underway and significant progress has been made.

Citizen Participation:

Citizen Participation will enhance the quality of Portland's neighborhoods by:

- ◆ Working actively to improve participation of all neighbors in the public involvement process.
- ◆ Supporting increased capacity for coalition/ neighborhood offices and neighborhood associations.
- ◆ Expanding participation in neighborhood associations with a focus on increasing participation of non-traditional neighbors such as people of color, renters, etc.
- ◆ Increasing the ability of ONI to address citywide issues that impact neighborhoods.
- ◆ Providing a stronger, consistent communication link between City bureaus and neighborhoods regarding specific programs and City initiatives.
- ◆ Increasing public stewardship for neighborhood livability through the Downspout Disconnect Project.
- ◆ Increasing public participation in civic issues.

Information and Referral Center:

The Information and Referral Center will enhance the quality of Portland's neighborhoods by linking callers with the appropriate contacts who can provide accurate, friendly, and timely information about City and County services. In addition, the I&R Center will:

- ◆ Maintain a very high quality of customer service.
- ◆ Expand the availability of information and referral services to the community while streamlining service delivery to most efficiently administer this program.
- ◆ Partner with Multnomah County on all service delivery aspects.
- ◆ Meet or exceed the performance benchmarks in the City/County IGA.

Metropolitan Human Rights Center (MHRC):

The Metropolitan Human Rights Center will enhance the quality of Portland's neighborhoods by providing support and advocacy for the human and civil rights of all Multnomah County and Portland neighbors. In addition, MHRC will:

- ◆ Incorporate other ONI programs into the MHRC workplan.
- ◆ Strengthen relationships and collaborations with the Portland Police Bureau.
- ◆ Provide programs and activities to improve services and support to immigrants and refugees through the Refugee and Immigrant Coordination program.

- ◆ Continue partnering with IRCO on Project Interwoven Tapestry, improving integration and increasing civic involvement among Portland's immigrants and refugees.
- ◆ Work, through the Disability Project, to enhance accessibility in the district coalition offices as well as City bureaus and County departments.

Neighborhood Mediation Center:

The Neighborhood Mediation program will enhance the quality of Portland's neighborhoods by providing professional and confidential neighbor-to-neighbor mediation services to resolve conflicts within neighborhoods.

The Community Residential Siting program (CRSP) will provide a centralized, coordinated source of information and referral before, during, and after the siting of a community residential facility to eliminate confusion and potential conflict. In addition, the CRSP will Improve understanding between groups in conflict.

Crime Prevention Center:

The Crime Prevention Center will enhance the quality of Portland's neighborhoods by:

- ◆ Working with the seven neighborhood offices to provide public safety information and maintain crime prevention services in the neighborhoods.
- ◆ Support the expanded vision of the Portland Police Bureau's Neighborhood Watch/Block Captain program.
- ◆ Improve community involvement in crime prevention efforts.
- ◆ Decrease crime and graffiti in Portland in partnership with the Police Bureau and other community partners.
- ◆ Deliver services for the liquor license neighborhood notification program.

COUNCIL PRIORITIES

Council Priority: Maintain a financially stable City.

- ◆ The Neighborhood Outreach program coordinated eight bureaus in organizing four Capital Improvement Projects open houses to provide public education on how the City spends hundreds of millions of dollars in CIP funding.

Council Priority: Build a livable city through good planning and well-managed growth.

- ◆ The Neighborhood Outreach program provides Planning Bureau and OPDR with accurate database of neighborhood association and coalition leaders so legal notification mandates can be met.
- ◆ ONI works with the Planning Bureau, neighbors, and social service providers to ensure that neighborhood plans and community residential facilities address sensitivities to historically relevant cultural and ethnic groups in a fair, equitable, responsible, and legal fashion.
- ◆ ONI supports coalition efforts to involve neighbors in city planning efforts.

Council Priority: Ensure a safe and peaceful community.

- ◆ ONI works with the coalitions and neighbors to develop good neighbor agreements and public safety advisory groups.
- ◆ The Crime Prevention Center addresses livability issues that impact community safety, graffiti, and liquor licenses.

- ◆ The MHRC works to resolve specific issues involving hate crimes, inter-cultural conflict, or issues involving under- represented communities.
- ◆ ONI's Mediation program often serves as a liaison among neighbors, coalitions, neighborhood associations, Council offices, and bureaus for resolving various conflicts at the neighborhood level before they can escalate into citywide problems.
- ◆ The CRSP works to ensure mutual understanding and respect that results in long-term, supportive, peaceful relationships that promote safe, livable communities.
- ◆ The I&R program is often the first point of contact for neighbors when addressing a safety, noise, or conflict issue.

Council Priority: Build a multi-modal transportation system.

- ◆ ONI supports the coalitions to hire staff with expertise and skills in transportation planning.
- ◆ The Neighborhood Outreach program partnered with PDOT in the last year organizing a Traffic Calming Summit.

Council Priority: Maintain and improve our parks, green spaces, water and air sheds.

- ◆ The Neighborhood Outreach program partners with BES to coordinate watershed outreach efforts and downtown business participation in CSO projects.
- ◆ The Neighborhood Outreach program and the coalitions partner with city bureaus such as BES, Water, and Parks on public involvement efforts.

Council Priority: Support quality education to produce well-educated citizens.

- ◆ The Neighborhood Outreach program organizes the annual Neighborhood Summit and workshops on leadership skills for volunteer citizen activists.
- ◆ ONI funds are used by the coalitions and neighborhood offices to provide education and information about City programs to thousands of citizens.
- ◆ The ONI e-notification system and citizen database allow providing information to over 26,000 neighborhood activists, community members, committee members, and core public involvement staff in efficient cost-effective mailings and electronic notifications.
- ◆ The NMC partners with Portland Community College to provide services and trainings to students working on degrees.
- ◆ The I&R program is the first place many citizens call to educate themselves about city services.

Council Priority: Promote the inclusion of under represented neighborhoods and groups in participation in City activities and services.

- ◆ Coalitions are working to increase participation and inclusion of under represented neighbors in the neighborhood system.
- ◆ ONI offers trainings, education, and technical expertise to neighborhood associations, coalitions and others to build inclusive and diverse neighborhood participation.
- ◆ MHRC serves as a liaison to City bureaus on a variety of specific issues such as housing, security, access, licenses, etc.
- ◆ CRSP works to ensure that the social service community is represented in decisions, good neighbor agreements, and processes involving social service provisions in neighborhoods.

Council Priority: Keep the central city vital.

- ◆ The Neighborhood Outreach Program provides direct technical support for Old Town Chinatown neighborhood association and Downtown Community Association.

Council Priority: Become a more effective partner in the region.

- ◆ The Neighborhood Outreach program works with Metro and a network of regional city government neighborhood association programs to organize neighborhood conferences, share skills, new trends, and organizing tools.
- ◆ Funds for the coalitions support efforts to partner with other community groups on planning, environmental, and other service efforts that improve the livability of Portland's neighborhoods.
- ◆ ONI partners with Portland State University, the City of Gresham, and other dispute resolution service providers around the state to develop consistent mediation standards.

Council Priority: Grow as an international city.

- ◆ ONI works to increase participation in Portland's neighborhood system by non-English speaking residents, new immigrants, refugees, and non-dominant cultures.
- ◆ ONI provides information, tours, referrals, materials, and technical assistance to many international visitors who are interested in learning about Portland's historic neighborhood system.
- ◆ The MHRC works closely with many community groups and agencies that address issues and provide services to Portland's immigrant, refugee, non-English speaking, and international community.

Council Priority: Ensure decent, affordable housing.

- ◆ The neighborhood associations and coalitions work actively with various agencies to plan and coordinate various housing projects and initiatives.
- ◆ The Disability Project specifically works to ensure that the City adequately address all accessibility issues and comply with ADA requirements.
- ◆ NMC receives a grant from the Oregon Housing and Community Services Department to promote and provide conflict resolution services for neighbors living in mobile parks.
- ◆ CRSP works with providers to ensure that special needs and other types of affordable housing are built in a supportive and accepting community environment.

Council Priority: Promote economic vitality and access to quality jobs for all.

- ◆ The MHRC acts as an advocate for under-represented groups, including new immigrants and refugees, for all City programs and services, and works with various community groups to improve access to equal job opportunities.

Overview of Programs

CITIZEN PARTICIPATION

Citizen Participation

Portland's neighborhood network is made up of 95 neighborhood associations, seven neighborhood offices located throughout the city, and 40 neighborhood business district associations. Through the seven neighborhood offices, Portland neighbors are able to learn about City programs, communicate with Bureaus, discuss specific City proposals and programs, and provide input and feedback to Council. ONI funds provide support for approximately 2-3.0 FTE in each neighborhood office (including 5.95 ONI FTE). This neighborhood network system is a model for which Portland continues to receive national and international attention.

Working to improve public involvement

The Citizen Participation Center works to enhance the quality of Portland's neighborhoods by working actively to improve participation of neighbors in the public involvement process. Funding in this center provides support to the 95 recognized neighborhood associations, and the seven neighborhood offices and coalitions. Currently, funds support contracts with five district coalition offices and two neighborhood offices. In addition to the neighborhood associations, Portland's neighborhood network also includes 40 neighborhood business associations. The ONI/BES Partnership program (3.8 ONI FTE), including the Downspout Disconnection program, and Elders in Action (1.0 FT and contract) also operate out of this center.

Administration levels the same as in 1974

Administration for the bureau is included in the Citizen Participation Center. In 1974, ONI began with 3.0 FTE for administration of the bureau. Despite tremendous program growth in ONI over 28 years, administration levels remain essentially the same with 3.0 FTE for FY 2003. Administrative personnel provide policy, fiscal, and human resource support for ONI personnel and programs.

Neighborhood Association and Coalition Support

This program is the core of ONI's mission and history. ONI provides direct technical assistance and support for the City's neighborhood system. Through the administration of approximately \$1.2 million in General Fund support, ONI administers, monitors, and evaluates the 28 year neighborhood system of Portland. Through the development and administration of Council-approved contracts and ONI Guidelines, ONI bestows official recognition on neighborhood associations, works with coalitions to provide support to the neighborhood associations, provides technical assistance to the neighborhood coalitions and offices, conducts site visits for contract compliance, and resolves neighborhood grievances when necessary. Along with the Director, 0.20 FTE (a reduction of 0.80 FTE) work to monitor the contracts for the neighborhood program, administer the ONI Guidelines for neighborhood associations, provide technical assistance, guide policy development for the network, and serve as liaisons among bureaus, City Council, and the network. Funds for this program are used to:

- ◆ Administer, advocate for, and promote City's neighborhood association system:
- ◆ Monitor the City's annual contracts and funding for the 95 neighborhood associations and seven neighborhood offices.
- ◆ Address legal concerns, grievances, contract compliance issues within neighborhood system.

- ◆ Improve civic involvement by providing direct technical assistance to citizens, coalition/neighborhood offices, and neighborhood associations in the areas of Oregon public records/meeting law, Oregon non-profit law, ONI Guidelines, and monitoring the ONI contracts.
- ◆ Provide increased capacity for coalition/neighborhood offices and neighborhood associations by giving them direct assistance to develop outreach efforts to reach new neighbors, ethnic groups and business associations. Provide coalition/neighborhood offices and neighborhood associations with training opportunities so they can develop expertise in non-traditional outreach techniques.
- ◆ Enhance civic education by organizing and facilitating leadership trainings, including the annual neighborhood association summit.
- ◆ Engage residents directly in review and updating of Council-mandated ONI Guidelines and City Code relating to neighborhood and public involvement system.
- ◆ Provide communication funds to each neighborhood association to support newsletters, email list-serves, web sites, and e-newsletters.

Neighborhood Outreach Program

This program follows ONI's mission to support, enhance, and improve the City's neighborhood involvement program. In FY 2003, the Neighborhood Outreach program will be reduced from 1.80 FTE to 1.0 FTE. The remaining 1.0 FTE works with the Director to create community-building partnerships, work on citywide projects such as the CIP information program and River Renaissance public involvement, provide information and technical assistance to other City bureaus' outreach and involvement efforts, and train community members in leadership and community organizing skills.

Maximization of city resources

This program is charged with maximizing City resources through bureau partnerships and coordination of public involvement efforts. During the Administrative Services Review (ASR) process in the last budget, staff in this program were directed to:

- ◆ Provide increased coordination of public involvement efforts citywide by supervising the partnership with the Bureau of Environmental Services that provide public involvement in watersheds, the Westside CSO Projects and Businesses for Clean Rivers.
- ◆ Provide increased coordination of public information and public involvement efforts citywide by establishing and maintaining a list of pre-qualified contractors for use by City bureaus.
- ◆ Organize major City outreach efforts on environmental and transportation systems such as coordinating eight bureaus on four Capital Improvement Project open houses and developing the public involvement strategy for River Renaissance management team.
- ◆ Assist City bureaus on developing strategy and outreach efforts on specific outreach efforts at a lower cost than private consultants. Examples include BOP Healthy Streams Initiative, Bureau of Water Works sewer rate hearings, Bull Run Treatment Decision, and PDOT Traffic Calming Summit.
- ◆ Decrease printing and postage costs by utilizing electronic resources and communication tools to support public involvement for neighborhood associations, district offices, and City bureaus.
- ◆ Maintain a 16,000+ database of residents, e-notification to 2,000 neighborhood and community leaders, neighborhood leader directory, maintaining a web site with electronic neighborhood maps, citizen involvement leadership tools.
- ◆ Work with other bureaus to build a Citywide web-based database and calendar of events.

- ◆ Organize city public involvement and public information staff through Citywide public involvement network to identify improvements and efficiencies in the City's public involvement/public information services.

BES/ONI Partnership Programs

Since the mid-1990's, ONI has had an active partnership with the Bureau of Environmental Services. Beginning, with the Downspout Disconnect program, the partnership has expanded to the Combined Sewer Overflow/Clean Rivers program. For FY 2003, BES will support 2.23 FTE in the Downspout Disconnect program. In addition, BES will support 2.8 ONI FTE who will work to implement public involvement in the neighborhoods and the coalitions. This program is a cost-effective way to integrate major City environmental initiatives and programs into the City's coalitions, neighborhood associations, public involvement, and neighborhood outreach programs. This partnership is designed to provide organizing opportunities, support community-based efforts, encourage diversity at the grassroots level, and encourage neighbor-to-neighbor interaction. This program helps meet the City's Clean River goals and mandates.

Elders in Action

Elders in Action is a private, non-profit 501(c)3 organization that advocates for the needs of seniors, assists them in advocating for themselves, and gives Portland's elderly population access to policy makers. The City's contribution for Elders in Action is a contract for services and funding for the 1.0 FTE program director.

CRIME PREVENTION

Crime Prevention

Neighborhood-based crime prevention services are an important part of the City of Portland's community policing efforts. The Crime Prevention program provides public safety information and training to neighborhood associations, public safety committees, other community groups, individual residents, and businesses. Services include organizing around community safety issues, establishing neighborhood watch and foot patrols, and providing training in problem solving to enhance citizen skills in addressing issues, such as problem liquor outlets, drug houses, and gang-related concerns.

Neighborhood crime prevention services maintained at current services levels

The Office of Neighborhood Involvement will continue to provide crime prevention at its current service levels. The Neighborhood Crime Prevention program will:

- ◆ Provide neighborhood-based crime prevention services, including Neighborhood Watch, in each of the seven neighborhood offices.
- ◆ Promote community involvement through National Night Out against Crime.
- ◆ Increase community awareness of issues like domestic and workplace violence by providing training and technical assistance to business and community groups.
- ◆ Notify neighbors to ensure community safety by reporting to neighborhood associations of crime issues such as sex offenders, robberies, etc.

Crime Prevention services in partnership

A key component of ONI's Crime Prevention programs is the maintenance of partnerships with other City bureaus. These partnerships link citizens with City and County community policing programs. These programs include the Portland Police Bureau's Neighborhood Liaison Officer program, precinct neighborhood response teams, Gang Enforcement, the Drug and Vice Division, the Bureau of Licenses, and Office of Planning and Development Review programs.

Graffiti Abatement

The Graffiti Abatement program is the second component of the Crime Prevention Center. This program focuses on enforcement, eradication, and education of graffiti throughout the City. One City coordinator and the Youth Employment Incorporated, a non-profit organization, coordinate and deliver program services designed to promote citizens reports of graffiti to the Portland Police Bureau, educate citizens on how to clean graffiti, and work with legal system representatives on the arrest and prosecution of graffiti vandals (taggers). The program coordinates all paid and volunteer graffiti removal efforts on a citywide basis and provides presentations to community groups, schools, and other public forums regarding graffiti trends, community impacts, and opportunities for public involvement in prevention.

Liquor License Notification

ONI coordinates with the Drug and Vice Division of the Police Bureau, Noise Control, the Bureau of Licenses, and the crime prevention specialists to process liquor license applications for premises located within the city of Portland. ONI's primary responsibility is notification of affected parties of pending liquor license applications. ONI collects documentation of community support and/or opposition to license applications to be considered by the Chief of Police in making a recommendation to the Oregon Liquor Control Commission (OLCC). Where appropriate, ONI may assist in problem resolution between neighbors and applicants. ONI also provides public education regarding the application process and preparation for testifying at the OLCC.

NEIGHBORHOOD MEDIATION CENTER

Neighborhood Mediation Center

The Neighborhood Mediation Center (NMC) has been assisting neighbors in the resolution of their disputes since 1978. NMC provides free mediation and conflict resolution services using trained volunteer mediators and city staff. In FY 2001, the majority of the 800 (350 successfully resolved) cases addressed by the program were neighbor to neighbor disputes. NMC has also provided services through the Citizen-Police Mediation program, the Manufactured Dwelling Park Mediation program, and the Community Residential Siting program (CRSP).

Neighbor-to-Neighbor Mediation Program

In FY 2003, the Neighborhood Mediation program will continue with a reduction of 1.0 FTE. Neighbor-to-neighbor mediation services will be provided through 3.0 FTE staff mediators and 1.0 FTE clerical support. The program will provide citywide training for the volunteer mediators, will ensure compliance with Oregon Mediation Association standards, will coordinate the neighborhood mediation database, and will promote the program to all of Portland's neighborhoods.

Citizen Police Mediation Program

The Citizen-Police Mediation program was a joint project with the City of Portland Police Bureau. With the beginning of the Independent Police Review (IPR) Office in FY 2002, it is no longer necessary that ONI's mediation program handle citizen-police mediation cases. The IPR Office will now handle these cases.

Manufactured Dwelling Park Mediation Program

NMC's Manufactured Dwelling Park Mediation program was launched in FY 2002 in partnership with the Oregon Department of Housing and Community Services, Manufactured Dwelling Park Ombudsman program. The center has developed a comprehensive outreach plan to Portland's 63 mobile home parks, encompassing about 3005 spaces. This program is anticipated to continue In FY 2003.

Community Residential Siting Program

The Community Residential Siting program (CRSP) provides neighbors, service providers, and developers with a range of strategies to bring about dispute resolution specific to the siting of social services. These alternative approaches are becoming more important in a context of emerging community concerns about proposed siting or ongoing operations of existing social service and residential facilities.

To achieve its program goals, the CRSP:

- ◆ Provides a centralized, coordinated source of information and referral before, during, and after the siting of a community residential facility to eliminate confusion and potential conflict;
- ◆ Builds relationships among all siting stakeholders through a balanced and representative advisory committee to help guide the content of information and resources;
- ◆ Develops legal and ethical guidelines, protocols, and best practices to address citizen questions and issues involved in residential group homes and facility siting;
- ◆ Ensures that all resources and siting best practices meet standards that comply with the Fair Housing Act, Confidentiality Laws and other legal parameters;
- ◆ Develops and maintains relationships with technical resources to address issues concerning land use, facility licensing requirements, contracting/funding relationships, and other siting-related issues;
- ◆ Encourages government agencies, communities and other organizations to consider the siting of Community Residential Facilities in their community planning or visioning processes to proactively identify future siting opportunities;
- ◆ Provides collaborative problem solving services including mediation, facilitation and consensus building for groups in conflict around the siting or ongoing operations of a community residential facility; and
- ◆ Develops and trains a group of volunteer mediators/facilitators to build capacity for conflict resolution services provided by the CRSP.

CRSP is funded in part by Multnomah County. In FY 2002, to meet budget reductions, ONI eliminated a 0.80 FTE in this program that provided conflict resolution services; these services are now provided by flexible services contracts with funding from BHCD and the Oregon Dispute Resolution Commission. The staffing level (1.0 FTE) will continue in FY 2003.

METROPOLITAN HUMAN RIGHTS CENTER**Metropolitan Human Rights Center**

The Metropolitan Human Rights Center (MHRC) began in 1950 when the City of Portland formed the Portland Inter-Group Relations Commission to advise the Mayor on multi-cultural relations. In 1969 Multnomah County joined Portland to create the Metropolitan Human Relations Commission. In 1997, the City and County moved the Commission to the Office of Neighborhood Involvement and renamed it the Metropolitan Human Rights Center. MHRC's mission is:

"To foster mutual understanding and respect among all people by:

- ◆ offering education, partnerships and technical assistance on human rights issues - including the ADA.
- ◆ collaborating with community and faith-based organizations as well as other ONI programs in response to ongoing community human rights concerns.
- ◆ supporting multi-cultural events, thereby strengthening community/neighborhood commitment to human rights in the City of Portland and Multnomah County."

MHRC programs that will continue in FY 03 are:

- ◆ The Disability Project - helping to make the City and County more accessible to all.
- ◆ The Refugee and Immigrant Coordination program - assisting newcomers to the area in their resettlement efforts.
- ◆ The Civil Rights Referral program helping people in Portland find resources to address their human and civil rights related issues and questions.
- ◆ Training and support to the neighborhood associations and coalitions to increase participation in Portland's neighborhood system by all its under represented communities.

Diversity Training and Dialogue Facilitation program eliminated

The Diversity Training and Dialogue Facilitation program that engages people in the practice of respecting differences will be eliminated in FY 2003 due to reduced funding from Multnomah County. MHRC will continue its work collaborating with other organizations to host community events designed to raise awareness regarding human and civil rights issues.

Disability Project

MHRC works with the Council and County commissioners to formulate policies and ordinances that support the human rights and diversity of Portland and Multnomah County. The Disability Project promotes accessibility, health care, and social services for those with disabilities, conducts plan reviews for OPDR and contractors, staffs various city and county disability advisory groups, and provides technical advice to City Bureaus and Council on the Americans with Disabilities Act. In FY 2003, it is anticipated that Multnomah County will provide support for 50% of the FTE for this program.

Refugee and Immigrant Program

The Refugee and Immigrant program provides technical assistance to neighbors, community organizations, and public agencies regarding immigrant and refugee issues. The program is also implementing a national demonstration project called Project Interwoven Tapestry, a grant by the National Conference of State Legislatures, designed to bring more newly arrived neighbors into Portland's unique neighborhood involvement system.

Other services provided by MHRC include:

- ◆ Developing partnerships to maximize resources
- ◆ Working with Bureau of Planning and the Portland Development Commission to coordinate the Burnside Triangle Advisory Group.
- ◆ Connecting with different stakeholders to collaborate on projects that mutually support human rights and diversity issues.
- ◆ Pro-actively rallying collaborating partners and community members to address community crises.

In FY 2003, to save costs, MHRC will relocate to the King Center in Northeast Portland.

INFORMATION & REFERRAL

Information and Referral Center

The City of Portland - Multnomah County Information and Referral Program (City/County I&R) is a central source of basic information about, and referral to, City and County programs. The program also provides information and referral services to the State Circuit Court and other government and non-profit agencies, and staffs an information desk in the Portland Building. The program's mission is to be an ambassador for both the City and the County by increasing the ease of citizen access to services provided.

14,000 calls per month

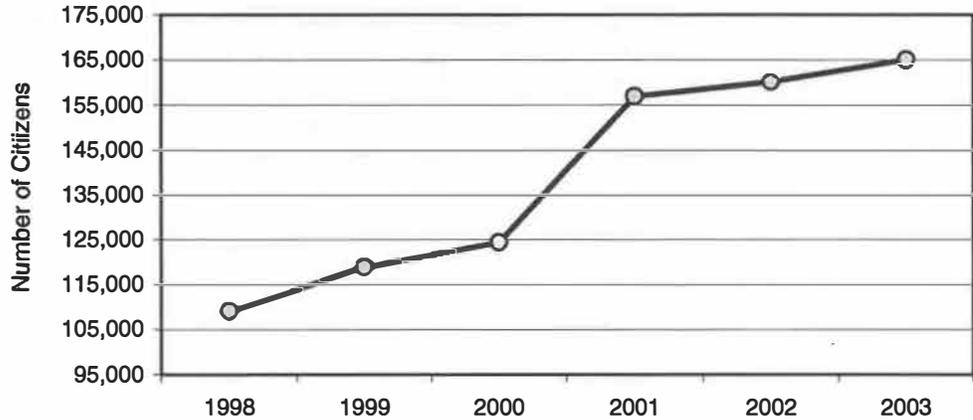
In FY 2003, call volume for the program (currently approximately 14,000 calls per month) is expected to increase as both the City and County continue to promote the services. Information deemed valuable to the public continues to be added to the database regarding services provided throughout the local community. Current FTE staffing levels (6.0 FTE) will continue in FY 2003.

In FY 2003, to reduce facility costs for the bureau, the I&R center will relocate from the Portland Building to the City Hall ONI office. This will also afford an opportunity for more phone backup during busy telephone hours. In the coming year, City/County I&R plans to increase accessibility to its database information by making it available to City and County employees as well as the public through web access.

Performance Measures

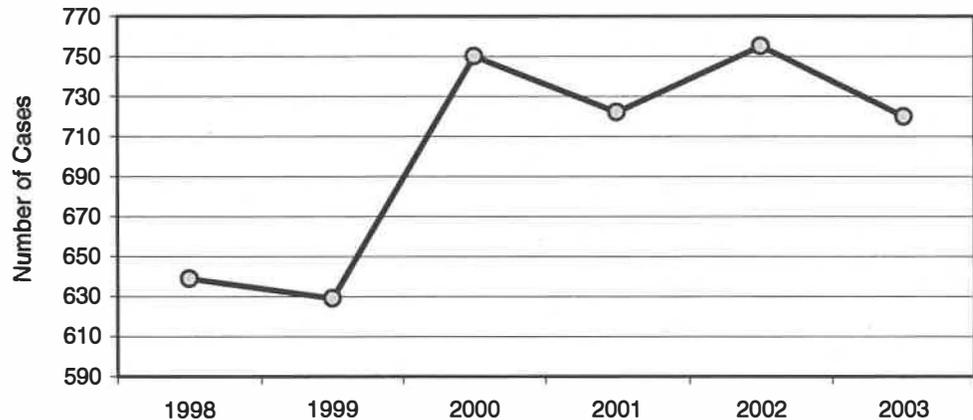
Number of Citizens Involved in Neighborhood Activities

- ◆ The neighborhood association network is a vital way for citizens to become involved in neighborhood-based organizations and projects.
- ◆ Increasing the number of involved citizens helps improve neighborhood livability and build community.



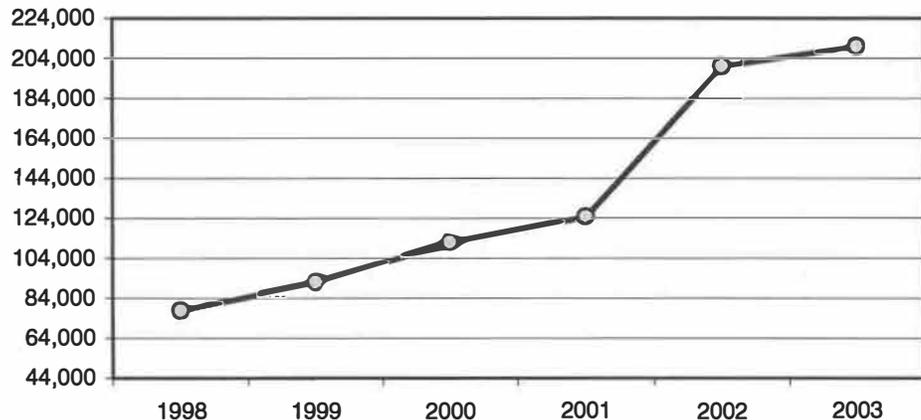
Number of New Cases Receiving Mediation Services

- ◆ Uncertainty regarding funding resulted in a caseload drop in FY 97-98. For a time, the Center declined new cases.
- ◆ Reduction of 1.0 FTE in the FY 02-03 budget will likely result in a decrease in case capacity.
- ◆ NMC will increase volunteer utilization in FY 02-03 to mitigate impact on case capacity.

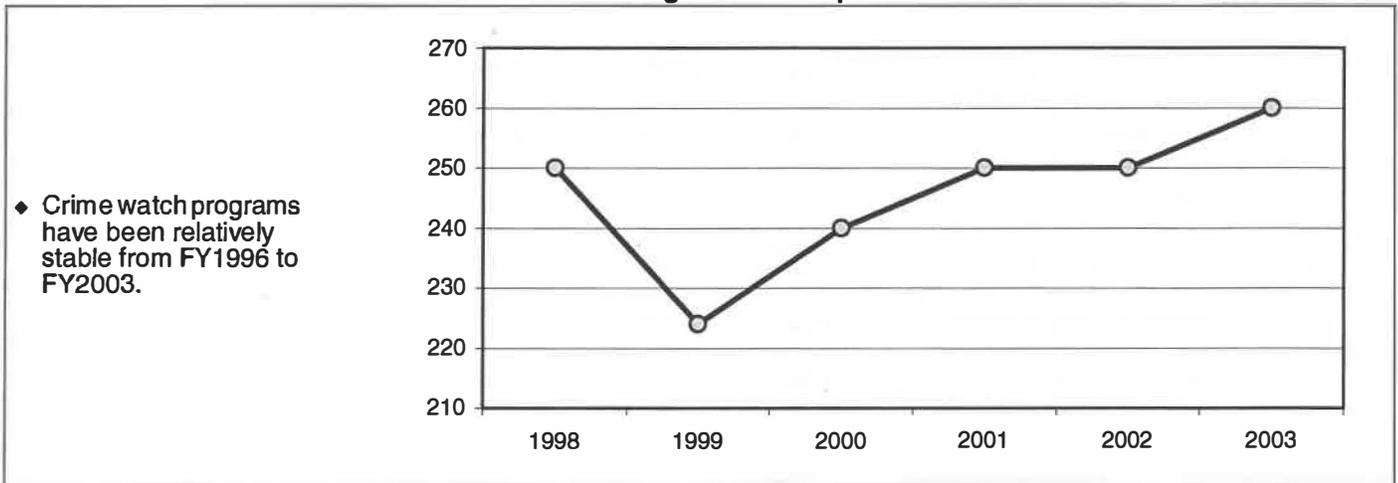


Number of Information and Referral Calls and E-mail Inquiries Received

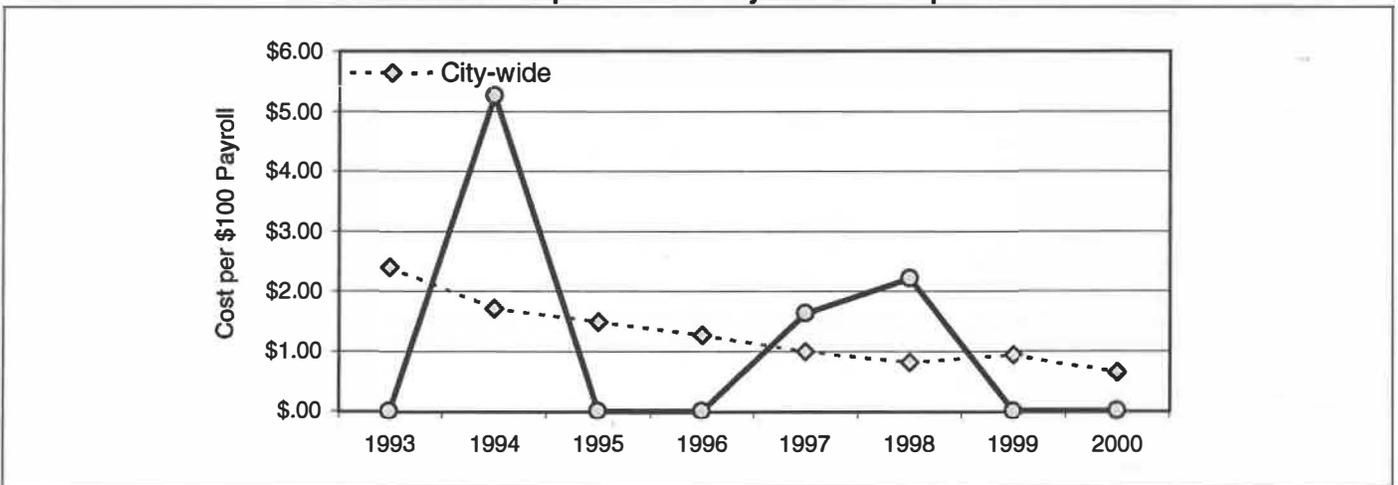
- ◆ Calls and E-mail inquiries are expected to increase dramatically in 2002 due to a consolidation of City and County information and referral functions.



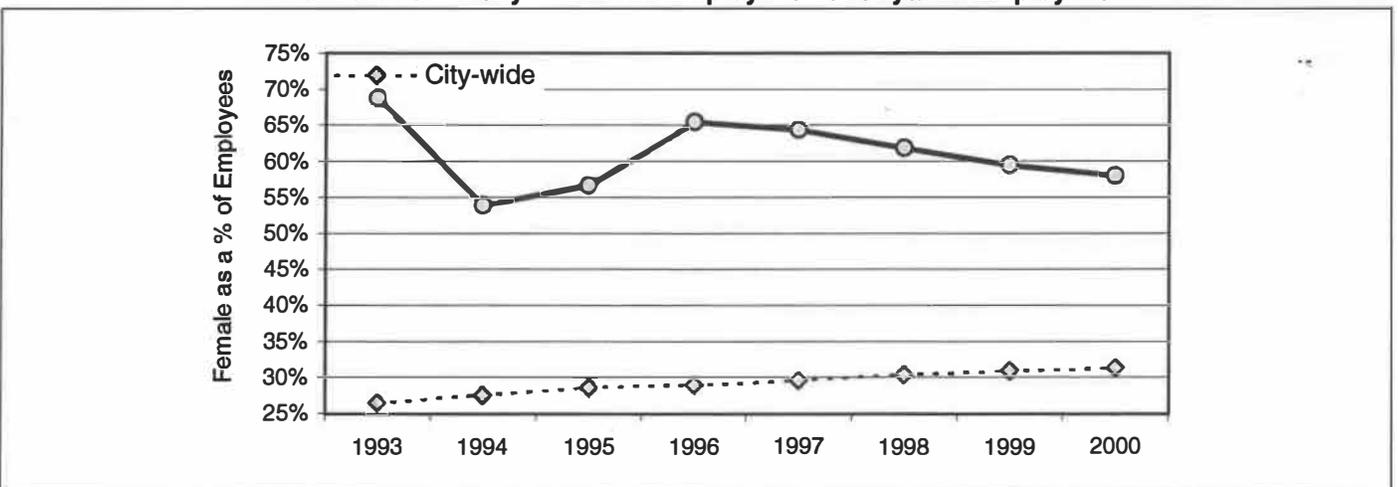
Number of Crime Watch Programs Developed and Maintained



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF NEIGHBORHOOD INVOLVEMENT						
Affirmative Action Measures						
Affirmative Action - Minority Minority Employees as a Percent of Total	17.1%	29.7%	25.6%	27.9%	22.7%	
Affirmative Action - Female Female Employees as a Percent of Total	62.9%	67.6%	58.1%	51.2%	54.5%	
Office of Neighborhood Involvement						
Risk Data						
General Liability Claims per 200,000 Hours Worked	4.40	0.00	0.00	2.49		
Worker's Comp Claims per 200,000 Hours Worked	4.40	8.58	0.00	7.46		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.52	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$1.63	\$2.21	\$0.00	\$0.32		
Citizen Participation						
Workload						
Number of NA's, coalitions, area offices maintained and business assns. and ethnic organizations coordinated with	166	166	166	170	170	170
Effectiveness						
Number of citizens involved in neighborhood association and coalition activities	109,151	118,782	124,356	156,769	160,000	165,000
The neighborhood association network is a vital way for citizens to become involved in neighborhood-based organizations and projects. Increasing numbers of involved citizens help to improve neighborhood livability and build community.						
Crime Prevention						
Workload						
Number of crime watch programs developed and maintained	250	224	240	250	250	260
Effectiveness						
Number of crime prevention and community policing projects	350	420	430	440	440	450
Neighborhood Mediation Center						
Workload						
Number of new cases receiving mediation services	639	629	750	722	755	720
New cases are calls for service receiving mediation services in a given fiscal year.						
Effectiveness						
Number of cases successfully resolved	224	326	525	360	375	360
Efficiency						
Percentage of cases responded to within 3 working days	45%	77%	75%	75%	80%	80%
Metropolitan Human Rights Center						
Workload						
Dynamic Differences & Community Dialogue Trainings		12	12	12	12	0
Number of dynamic differences & community dialogue trainings held.						
Information and Referral Calls Received		15,600	15,600	15,600	11,580	8,330
Number of calls made to MHRC requesting information about or referral to civil & human rights services and organizations in the area.						

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Disability Accessibility Appeals Number of ADA appeals made to MHRC.		240	300	350	150	50
Effectiveness						
Dynamic Differences & Community Dialogue Participants Number of participants in dynamic differences & community dialogue trainings.		144	144	224	180	0
Effectiveness						
Information and Referral Calls Responded to Number of calls made to MHRC requesting information about or referral to civil & human rights services and organizations in the area, to which MHRC has responded.		15,600	15,600	15,600	11,580	8,330
Disability Accessibility Appeals Responded to Number of ADA appeals whihc MHRC has responded to.		196	250	300	125	38
Information & Referral						
Workload						
Number of calls and e-mail inquiries received	77,800	91,534	111,550	124,510	200,000	210,000
Effectiveness						
Number of calls and e-mail inquiries responded to	75,490	89,703	109,319	124,306	190,000	199,500

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	2,474,066	2,792,907	2,995,018	3,080,084	2,998,848
External Materials and Services	1,447,188	1,390,097	1,851,348	1,813,381	1,772,105
Internal Materials and Services	307,603	386,408	414,186	421,298	423,136
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	4,228,857	4,569,412	5,260,552	5,314,763	5,194,089
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 4,228,857	\$ 4,569,412	\$ 5,260,552	\$ 5,314,763	\$ 5,194,089
Allocated Overhead	164,062	84,448	92,145	129,074	129,977
Total Cost with Allocated Overhead	4,392,919	4,653,860	5,352,697	5,443,837	5,324,066
RESOURCES					
General Fund Discretionary	3,761,212	3,483,348	3,689,334	3,739,469	3,739,469
Non-Discretionary Revenues					
Grants & Donations	9,920	25,085	98,791	46,100	46,100
Contract Revenues	77,089	508,226	322,203	324,759	283,181
Interagency Revenues	229,192	437,967	980,634	1,035,472	958,563
Program Revenue	6,986	131	0	0	0
Overhead Recovery	144,458	114,655	169,590	168,963	166,776
Total Non-Discretionary Revenues	467,645	1,086,064	1,571,218	1,575,294	1,454,620
TOTAL GENERAL FUND RESOURCES	4,228,857	\$ 4,569,412	\$ 5,260,552	\$ 5,314,763	\$ 5,194,089
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Citizen Participation	2,142,284	2,099,626	2,346,975	2,824,983	2,782,034
<i>Positions</i>	10	12	10	17	17
Crime Prevention	982,005	1,107,659	1,258,084	1,258,501	1,252,926
<i>Positions</i>	12	13	13	14	14
Neighborhood Mediation Center	454,960	524,310	510,306	473,025	476,396
<i>Positions</i>	5	6	6	5	5
Elders in Action	160,375	161,192	159,239	0	0
<i>Positions</i>	1	1	1	0	0
Metropolitan Human Rights Center	260,184	361,460	362,807	387,679	312,158
<i>Positions</i>	4	5	5	4	3
Information & Referral	229,049	314,850	365,782	370,575	370,575
<i>Positions</i>	4	6	6	6	6
Administration	0	315	257,359	0	0
<i>Positions</i>	0	0	3	0	0
TOTAL PROGRAMS	\$ 4,228,857	\$ 4,569,412	\$ 5,260,552	\$ 5,314,763	\$ 5,194,089
<i>Positions</i>	36	43	44	47	46
<i>General Fund Discretionary Positions</i>	34	34	34	32	32

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LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,435,835	1,626,835	1,925,114	2,089,617	2,037,922
512000 Part-Time Employees	153,634	194,548	269,566	189,020	184,724
514000 Overtime	8,625	11,739	10,950	12,504	2,693
515000 Premium Pay	3,444	175	0	0	0
517000 Benefits	640,921	719,534	789,388	788,943	773,509
518000 Paid Absence	231,607	240,076	0	0	0
Total Personnel Services	2,474,066	2,792,907	2,995,018	3,080,084	2,998,848
Materials and Services					
External Materials and Services					
521000 Professional Services	65,190	32,634	45,281	53,495	58,343
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	3,545	6,000	2,646	2,150
524000 Repair & Maintenance Services	0	0	5,410	1,000	950
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	1,263,718	1,208,144	1,292,984	1,524,128	1,511,607
531000 Office Supplies	28,858	35,609	32,594	23,603	14,122
532000 Operating Supplies	842	3,610	13,871	4,500	13,181
533000 Repair & Maintenance Supplies	66	53	5,475	0	500
534000 Minor Equipment & Tools	14,030	41,921	12,380	4,700	4,450
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	11,714	13,679	5,725	1,100	1,100
541000 Education	5,265	7,348	12,262	0	1,750
542000 Local Travel	13,553	14,719	11,954	2,528	2,725
543000 Out-of-Town Travel	535	8,012	3,698	200	200
544000 Space Rental	15,154	9,692	9,500	10,000	10,002
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	28,263	11,131	394,214	185,481	151,025
Total External Materials and Services	1,447,188	1,390,097	1,851,348	1,813,381	1,772,105
Internal Materials and Services					
551000 Fleet Services	989	2,328	1,030	3,090	3,090
552000 Printing & Distribution	85,669	84,430	81,497	87,920	87,920
553000 Facilities Services	108,221	109,029	111,127	87,037	88,875
554000 Communications Services	53,595	61,002	48,411	58,257	58,257
555000 Data Processing Services	17,836	65,536	76,910	76,882	76,882
556000 Insurance	40,530	53,433	52,380	59,228	59,228
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	42,831	48,884	48,884
559000 Other Fund Services	763	7,650	0	0	0
Total Internal Materials and Services	307,603	383,408	414,186	421,298	423,136
Total Materials and Services	1,754,791	1,773,505	2,265,534	2,234,679	2,195,241
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	3,000	0	0	0
TOTAL BUREAU EXPENSES	\$ 4,228,857	\$ 4,569,412	\$ 5,260,552	\$ 5,314,763	\$ 5,194,089

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FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
920	Administrative Supervisor I	0	1	1	43,993	1	47,935	1	47,935
114	Clerical Specialist	1	0	0	0	0	0	0	0
7490	Community Relations Assistant	3	8	9	418,150	11	500,857	9	409,671
7492	Community Relations Specialist	7	6	5	284,257	5	299,514	5	302,359
5183	Crime Prevention Representative	10	10	10	399,356	10	413,663	10	417,250
118	Customer Services Rep	4	0	0	0	0	0	0	0
116	Office Manager	1	0	0	0	0	0	0	0
102	Office Support Specialist II	0	7	8	264,112	8	251,920	8	256,269
106	Office Support Specialist, Lead	0	2	0	0	0	0	0	0
966	Program Coordinator	1	2	2	112,460	2	119,674	2	119,674
970	Program Manager II	1	0	0	0	0	0	0	0
972	Program Manager IV	1	1	1	80,905	1	88,197	1	88,197
964	Program Specialist	0	0	1	44,971	1	47,220	1	47,220
221	Secretarial Clerk II	1	0	0	0	0	0	0	0
816	Senior Administrative Specialist	1	2	2	69,481	2	74,595	2	74,595
7494	Sr Community Relation Specialist	4	2	3	173,342	3	181,506	3	183,719
900	Staff Assistant	1	2	2	34,087	3	64,536	4	91,033
TOTAL FULL-TIME POSITIONS		36	43	44	\$ 1,925,114	47	\$ 2,089,617	46	\$ 2,037,922

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	5,483,013	0	5,483,013	49.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(5,932)	0	(5,932)	0.0	CSL Realignment BOMA Adjustment
	3,864	0	3,864	0.0	City Hall Security
	(2,327)	0	(2,327)	0.0	APP contract cut
	(23,371)	0	(23,371)	0.0	Bureau Administration reduction
	(53,858)	0	(53,858)	(1.0)	Central Office Neighborhood Outreach reduction
	(2,246)	0	(2,246)	0.0	Community Residential Siting
	(6,628)	0	(6,628)	0.0	Elder's In Action contract cut
	(18,843)	0	(18,843)	0.0	MHRC reduction
	(50,000)	0	(50,000)	(1.0)	Neighborhood Mediation
	(538)	0	(538)	0.0	OMF BHR Training Reduction
	(7,744)	0	(7,744)	0.0	OMF Internal Savings reduction
	(262)	0	(262)	0.0	Facilities BOMA Adjustment
	(24)	0	(24)	0.0	OMF Overhead BHR Training Reduction
	(341)	0	(341)	0.0	OMF Overhead Interagency reduction
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	(120,674)	0	(120,674)	(1.0)	Technical revenue adjustments
	(288,924)	0	(288,924)	(3.0)	Total FY 2002-03 Decision Packages
			\$ 5,194,089	46.0	Total Adopted Budget
FY 2002-03 Reduction Packages Not Accepted	(19,380)	0	(19,380)	0.0	Contract reductions
	(10,425)	0	(10,425)	0.0	Graffiti Abatement contract cut
	(49,572)	0	(49,572)	1.0	Neighborhood Mediation contracted out
	(62,717)	0	(62,717)	1.0	Seven Crime Prevention Positions contracted out
			\$ (142,094)	2.0	Total Decision Packages Not Accepted

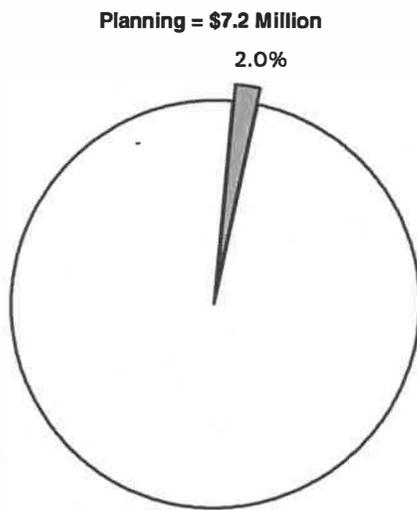
Bureau of Planning

Community Development Service Area

Mayor Vera Katz, Commissioner-in-Charge

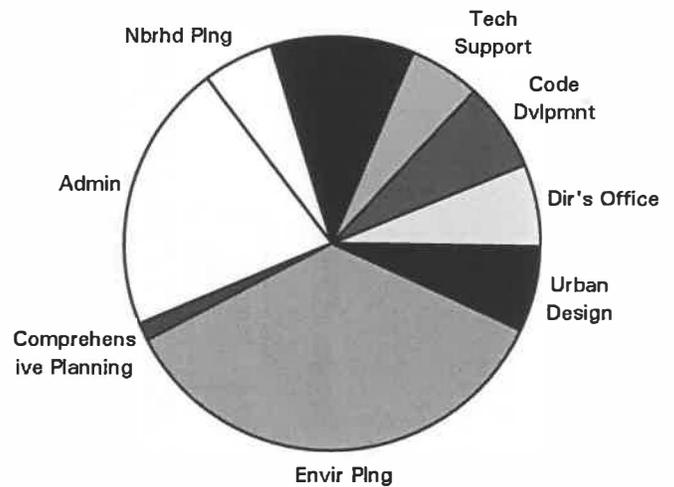
Gil Kelley, Director

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs

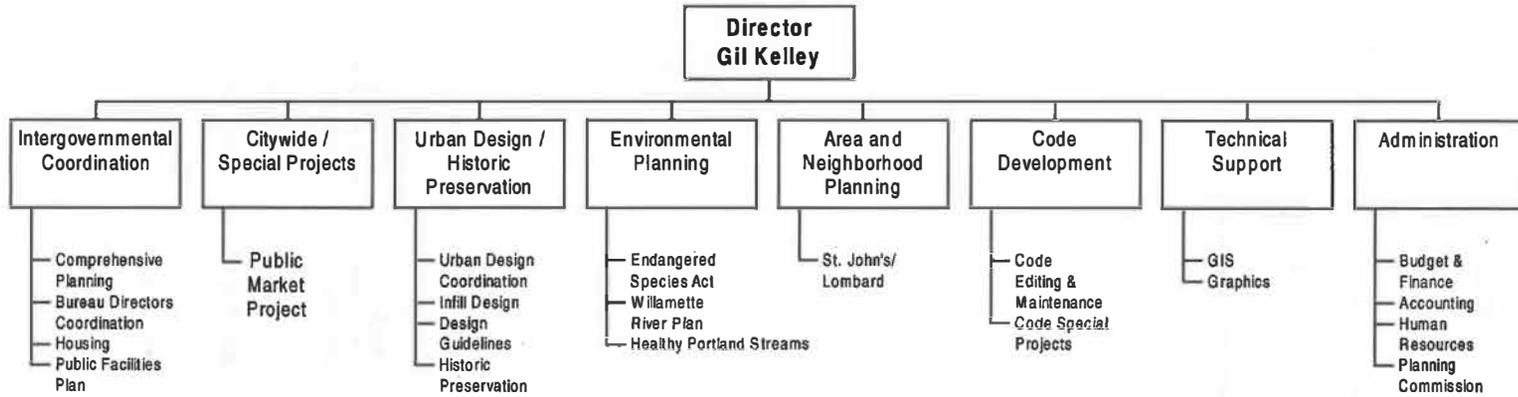


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	9,072,244	7,204,545	-1,867,699	-24.9%
Capital	0	0	0	0.0%
Allocated Overhead Costs	784,785	779,039	-5,746	-6.1%
Total Cost with Allocated Overhead	\$ 9,857,029	\$ 7,983,584	\$ -1,873,445	-23.4%
Authorized Full-Time Positions	70	54	-16	-27.1%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau of Planning



Bureau Summary

BUREAU MISSION

The Bureau of Planning assists the people of Portland in achieving a quality urban environment through comprehensive planning that responds to neighborhood needs, embraces community values, and prepares the City for the future. The bureau acts to ensure that all plans and policies are consistent with the City's Comprehensive Plan and strategic plan. The bureau promotes a fair and open process for citizen involvement in planning.

VISION AND VALUES

Bureau Vision

The bureau's work is oriented around three themes:

- ◆ Enhancing the "green infrastructure" of the city -- the interconnected system of public parks, natural areas, corridors and streams that provide beauty, recreation, stormwater and floodplain management functions, and habitat for fish and wildlife; and protect the quality of our air and water;
- ◆ Laying the foundation for a sustainable economy; and
- ◆ Creating vibrant, attractive urban centers and livable neighborhoods.

The bureau takes a comprehensive and collaborative approach to identifying and solving problems. Our success depends on our ability to reflect community values in the long range plans we produce. To accomplish this, we strive to engage the community in meaningful, open and active dialogue. Our success also depends on our ability to coordinate and align the efforts, resources and priorities of the City to translate the City's vision and policy into implementation.

BUREAU OVERVIEW

Work Program

The Bureau of Planning's work program for the 2002-2003 budget year centers around the environment, economy, urban form and cultural expression. Projects and activities fall under three program areas: River Renaissance, Urban Design/2040 Centers and Main Streets, and Comprehensive and Strategic Planning. Program areas are overseen by the director and each has a designated manager, general fund core staff and detailed work program.

In addition, the bureau carries out a number of support functions such as community outreach and involvement, code editing, mapping and graphics, and demographics and statistical research. Special programs include historic preservation, intergovernmental coordination, housing policy, and urban renewal district plans.

HIGHLIGHTS OF PROGRAMS AND SERVICES

River Renaissance Program

River Renaissance is a public/private partnership to revitalize the Willamette River and its watershed. It is a comprehensive approach that combines a shared vision and strategy for integrating the natural, recreational, urban and economic functions that make the Willamette River so vital to the city of Portland and the region. The program was created to optimize City efforts, forge public-private partnerships, leverage resources, and mobilize the community to revitalize the river so that it is once again the City's focus and defining element.

Within the Bureau of Planning, the River Renaissance program area includes the River Plan, Healthy Portland Streams and the Citywide ESA program. It also includes the overall management and coordination of the River Renaissance initiative which includes programs and activities of several bureaus and participating outside agencies.

**Urban Design/2040
Centers and Main
Streets**

This program area emphasizes excellence in building and infrastructure design, central city development, 2040 centers and main streets, and infill development in neighborhoods. One area plan is funded within the bureau's core budget. The area plan currently underway is the St. Johns/Lombard Area Plan, scheduled for completion by June of 2003. An urban design initiative is also a central part of the bureau's efforts.

**Comprehensive and
Strategic Planning**

This program houses Citywide capital improvement planning, bureau coordination activities, legislative/Metro and intergovernmental liaison, and strategic planning and maintaining and updating the City's Comprehensive Plan.

SUMMARY OF BUDGET DECISIONS

**Changes from Prior
Year**

The budget includes a \$221,700 reduction in General Fund revenue, \$17,973 reduction in overhead revenue and a \$70,748 reduction in revenue from the ESA General Fund set aside.

This budget is based on restructuring the current General Fund discretionary dollars to cover important continuing services. The required 7% reduction in General Fund discretionary results in the loss of four positions within the bureau. It also reflects a loss of revenue from partnerships such as Portland Development Commission.

Ongoing funding for the River Renaissance program has been added to General Fund discretionary support in the amount of \$152,000. This request supports 1 FTE to lead the work of the interbureau River Renaissance Management Team, serving as the City's lead liaison with external partners and ensuring that multiple River Renaissance programs and projects are strategically sequenced, integrated and implemented to achieve compliance with a variety of federal and state mandates and meet City goals. The primary task of this position will be to define River Renaissance projects, move them into a state of readiness, leverage funding, and ensure their timely and successful completion. This person will provide key support to the Planning Director in his role leading the River Renaissance program. Under the direction of the River Renaissance Management Team co-chairs, this position would also develop and maintain systems to enable strategic decision-making; track multiple, complex and interrelated projects; and keep all elements of the overall strategy moving forward.

Funding for the River Plan (previously referred to as the update of the Willamette River Greenway Plan) has also been added for four years. Funding in FY 2002-03 is set at \$367,000. This multi-year plan will integrate a broad array of river-related research and planning efforts. The plan will include comprehensive plan policies, changes to zoning and design guidelines, capital projects, education and stewardship programs and funding strategies. Not included in this year's budget are special projects and area plans. An effort is being made to achieve sustainable funding for projects that have been historically attributed to one-time funds.

FUNDING SOURCES

The Bureau of Planning depends entirely on General Fund support for its core activities. General Fund ongoing funding has made up less than half of the bureau's funding.

**One-time
Appropriations**

Several of the bureau's current efforts are continuations of multi-year projects funded by special, one-time appropriations. These efforts include River Renaissance, River Plan, Healthy Portland Streams, and the Citywide Endangered Species Act Coordination program.

**Additional Funding
Sources**

Housing Policy coordination is funded by an interagency agreement with the City's Bureau of Housing and Community Development.

An intergovernmental agreement (IGA) is currently being negotiated with PDC to support additional work within the bureau.

The Endangered Species Act project has interagencies with various City bureaus to share in the funding of the core team's general work program. These are with Portland Office of Transportation, the Water Bureau, Bureau of Environmental Services as well as various General Fund bureaus and the Portland Development Commission.

A limited amount of the bureau's budget is funded through the Citywide overhead model. This funding covers the Comprehensive Planning work program, which coordinates major policy actions and Capital Improvement Programs on a Citywide scale.

Strategic Direction

MANAGEMENT GOALS & OBJECTIVES

Continuously Improve the Delivery of Quality Public Services

The bureau will meet this objective by adhering to the following operating principles.

- ◆ Provide excellent customer service.
- ◆ Use common sense.
- ◆ Be responsive, timely and efficient.
- ◆ Pursue professional excellence.
- ◆ Work as a team.
- ◆ Improve continuously.
- ◆ Implement 2040 design concepts through the following
 - ◆ Changes in the zoning code and Comprehensive Plan to promote well-designed mixed use development and in-fill housing.
 - ◆ Coordination with bureaus to ensure infrastructure investment priorities are aligned with 2040 objectives.

Build a Sense of Community

This is achieved by promoting public participation, connectedness and partnerships. This goal's objectives are

- ◆ Implement existing community and neighborhood plans.
- ◆ Support neighborhood efforts to influence the direction of preservation, in-fill and redevelopment in and near mixed use areas.

COUNCIL PRIORITIES

Bureau's direction

The Bureau of Planning's work program is designed to assist the city in reaching many of the City Council's major goals and objectives. The bureau is directly involved in projects that address the following council goals:

- ◆ Maintain a financially stable City and promote economic vitality.
- ◆ Build a livable city through good planning and well managed growth.
- ◆ Maintain and improve our parks, green spaces, water and air sheds.
- ◆ Ensure decent, affordable housing.
- ◆ Becoming an effective partner in the region.

The bureau is also integrally involved in achieving:

- ◆ River Renaissance and environmental mandates.
- ◆ Long term planning and development.
- ◆ Keeping a vital central city.

Portland/Multnomah Benchmarks

The Bureau of Planning's performance measures support the following two categories of benchmarks:

1. Economic vitality and security benchmarks
2. Well-planned City with managed/balanced growth.

Overview of Programs

DIRECTOR'S OFFICE

The Director works with the Mayor and City Council to ensure bureau goals and priorities are aligned with Council goals and priorities. In addition, the Director acts as consultant and advisor to the Portland Planning Commission. The Director's Office is responsible for all bureau program direction and management. The Bureau's internal and external communication as well as general public outreach is coordinated through the Director's Office.

Bureau Directors' Coordination Team

The Bureau of Planning has taken a leadership role to ensure better coordination of long range planning and development functions among all City bureaus. The Bureau Directors' Coordination Team, chaired by the Planning Director, is comprised of the directors of the Portland Development Commission, Portland Office of Transportation, Office of Management and Finance, Portland Parks, Bureau of Housing and Community Development, Office of Neighborhood Involvement, Bureau of Environmental Services, Water Bureau, Office of Sustainable Development, and Office of Planning and Development Review. The Team was established by Council resolution to "convene on a regular basis for the purpose of coordinating and integrating policy development and implementation".

INTERGOVERNMENTAL COORDINATION

The Bureau's Intergovernmental Coordination program area will develop the City's Public Facilities Plan and review the City's annual capital improvement program for consistency with adopted City policies with guidance and oversight from the Bureau Directors' Coordination Team.

Regional Partnerships

It is vital for Portland to have a strong presence at the regional table to effectively advocate for the City's interests. This collaboration is critical to ensure continued vitality of the central city, enhanced neighborhood quality, a balanced transportation system, excellent public schools, and protection of greenspaces and watershed health inside and outside the urban growth boundary.

This team provides the City with that representation. It coordinates efforts with partners in the region, including Metro, the Port of Portland, neighboring cities and counties as well as the state and federal agencies affecting growth management and objectives. Team members work with the Metro Policy Advisory Committee and maintain a formal role on the Metro Technical Advisory Committee.

The Bureau's Intergovernmental Coordination program is working to develop the City's Public Facilities Plan and review the City's annual capital improvement program for consistency with adopted city policies. This is guided by the Bureau Directors' Coordination Team.

Intergovernmental Coordination staff also performs a variety of housing policy and planning functions, working closely with staff from various housing entities (PDC, BHCD, OPDR and HAP) to assure consistent City housing policy. The functions include providing staff support to the Housing and Community Development Commission, policy review of major planning initiatives, and administering the housing property tax abatement programs.

Staff within this group also serves a think tank function for the City. Staff is able to analyze data and trends in order to better understand where the City has been and where it is headed, providing the analytical underpinnings to the City's strategic planning functions.

Comprehensive Planning

Comprehensive Planning staff will carry out specific planning work program elements as they relate to the City's Comprehensive Plan. These include participating on the Capital Oversight Committee, staff support to the CIP Coordination Team and conducting analyses of major policy review actions as directed by City Council.

Staff also coordinates and amends the Comprehensive Plan goals and policies to maintain consistency with changed circumstances and conditions. Staff works with other bureaus and the Planning Commission to assure that various City and State initiatives are consistent with Comprehensive Plan policies.

AREA AND NEIGHBORHOOD PLANNING

Through the Area and Neighborhood Planning Program, Bureau of Planning staff work collaboratively with local residents and businesses to plan for geographically-specific areas. Generally encompassing portions of several neighborhoods, area plans are organized around a central focal point such as a business district or shared main street. The scope and approach of each project is tailored to match the particular issues identified by community interests, the size of the area, level of interest and commitment of residents and businesses, and a combination of strategic opportunities such as:

- ◆ Potential to stimulate economic development or enhance business district vitality;
- ◆ Opportunities to increase housing development, particularly in places that are well served by public transit and where additional housing would enhance retail viability; and/or
- ◆ Ability to coordinate with and complement projects/programs undertaken by other bureaus.

Projects are intended to be of a reasonable duration (18 to 24 months) to ensure adequate time to accomplish the project's goals while sustaining public interest and participation. Generally the core program has allowed one area plans to be underway at any one time. Currently this is the completion of the St. Johns Lombard Plan.

Projects may also be undertaken through interagency or intergovernmental funding, and involve partnerships with other agencies and organizations.

URBAN DESIGN/HISTORIC PRESERVATION

This section has two major functions. The first is to provide a guide to the urban design of the city that will bring it into the next century with well-built, well thought out buildings and infrastructure. The second is to preserve the historic quality of our city that we have all come to admire and expect.

The City's insistence on a high standard of performance for public and private projects demonstrates Portland's commitment to protect the public realm. A strengthened Urban Design program, incorporated into the 2003 budget, will accomplish this through the following functions:

- ◆ Provide urban design consultation to other City bureaus working on development strategies and projects.
- ◆ Analyze design and urban form issues related to the 2040 goals and develop methods to increase the quality of development in the city's neighborhoods (Infill design projects).
- ◆ Develop and update design guidelines and standards which serve as approval criteria for projects undergoing design review.
- ◆ Create new historic districts to recognize and preserve the richness of the city's heritage.
- ◆ Update and create new historic guidelines for application in historic areas.
- ◆ Provide architectural and urban design consultation to planners working on developing new zoning tools to address localized or citywide issues.

CODE DEVELOPMENT

The code editing function serves as an essential coordinating checkpoint for all of the work of the bureau involving the City Code. For overall quality control, regulatory documents are edited through their development to ensure they do not contradict policies or other regulations, are clear, easy to understand and workable. In addition, the bureau uses the editing function as a training process to improve planners' skill in drafting and perfecting quality code writing.

Projects to update and improve the Code by focusing on discrete problems or areas not being addressed through other Planning projects. These projects require reconsideration of policy implications. Potential projects are prioritized by the commissioner-in-charge. The Adopted Budget for FY 2002-03 does not include funding for this function.

ENVIRONMENTAL PLANNING

An integrated approach to planning interweaves environmental considerations into every decision about Portland's urban environment, and requires that sensitive and critical areas receive very careful attention.

River Renaissance Program

River Renaissance is a community-wide partnership to revitalize the Willamette River, its banks and watersheds throughout Portland. At its foundation is a vision for a clean and healthy river, a prosperous working harbor, Portland's front yard, vibrant waterfront districts and neighborhoods and partnerships, leadership and education. This comprehensive multi-objective program serves as an umbrella for new City initiatives and efforts already underway, including the City's Endangered Species Act Program, the River Plan, superfund response and urban renewal plans.

The Willamette River Plan

The River Plan will address how the land that frames the Willamette River will integrate the River Renaissance vision themes: a Clean and Healthy River, a Prosperous Working Harbor, Vibrant Waterfront Districts, and a Front Yard for Portland. The public process for this plan began in Fall of 2001 as the Willamette Greenway Plan update.

The plan will result in revised Comprehensive Plan policies that will guide the City's planning, development and investment decisions; new zoning maps that reflect generally what the citizens want to see where along the river; design guidelines that will show how we want the area along the river to look and function; capital projects that will help the City implement the Plan; new or revised education and stewardship programs to help the community get involved with the river; and funding strategies to help the city pay for anything the plan will envision.

Citywide ESA Coordination Program

The ESA core team, housed in the Planning Bureau, provides three types of services. First, it develops the overall strategy for addressing the Endangered Species Act and recovery of salmon and steelhead. This work includes assessing current conditions, developing biological objectives, analyzing alternatives and preparing a recovery plan. The ESA core team advises other bureaus regarding compliance with the Act. The Team also assists in the coordination and facilitation of City activities and provides liaison with National Marine Fisheries Service, U.S. Fish and Wildlife Service and other natural resource managers.

The ESA program has an integrated approach to planning and implementing City of Portland activities with the potential to affect water and habitat. The program, in collaboration with BOP, BES and others, has developed a solid scientific foundation, a clear template for assessing watershed conditions, a method for developing detailed and measurable objectives and a proposed approach for developing, prioritizing and selecting watershed and habitat conservation actions and strategies.

The ESA program also has collaborative working relationships with staff at the National Marine Fisheries Service and the U.S. Fish and Wildlife Service. These relationships help ensure that the City of Portland projects are reviewed early and federal regulatory issues are clearly identified as early as possible.

The ESA program also works collaboratively with EPA and other potentially responsible parties under the Superfund listing of Portland Harbor. That collaboration recently resulted in an agreement to allow the City of Portland to claim \$150,000 in Superfund financial credits for the ESA Program's ongoing Willamette Fish Use Study. That credit will directly offset City of Portland costs.

Key work elements for the ESA program are:

- ◆ Citywide Vision and Goals for specific ESA, water quality and other criteria for the Willamette River and Johnson and Tryon Creeks and potentially other water bodies.
- ◆ Objectives necessary to meet the goals based on the ESA core team's proposed Watershed Evaluation Method and other methods as required or suggested by other bureaus and programs.
- ◆ Analysis of the gaps between current watershed conditions and the future conditions that are needed to meet fish and wildlife, water quality, Superfund and other goals as suggested by other bureaus and programs.
- ◆ Inventory of ongoing actions to recover salmon and steelhead, meet water quality goals, Superfund goals and other goals as suggested by other bureaus or programs.
- ◆ Collaboratively develop and recommend a process to develop additional strategies and actions, a monitoring and evaluation program, adaptive management structure, schedule and budgets, and draft watershed plans for the Willamette, Johnson and Tryon Creeks (and other water bodies if possible; otherwise those watersheds will follow).

**Healthy Portland
Streams**

The Healthy Portland Streams (HPS) project is part of Portland's River Renaissance vision for clean, healthy rivers and watersheds. The HPS project will protect and enhance fish/wildlife habitat and water quality through a combination of voluntary, citizen-led projects, and publicly funded investments, including an update to the City's existing environmental overlay zone program. The project will also assist the City in achieving compliance with current and anticipated regional, state, and federal regulations. Through the HPS project, the Bureau of Planning (BOP) is updating the City's inventory of natural resources based on recent scientific information on streams and streamside areas. BOP has developed draft updates to the City's Comprehensive Plan goals and policies, environmental zone related codes, and maps. Activities over the next year will involve conducting extensive site visits, evaluation of public comments on the draft HPS proposal, stakeholder involvement, interagency coordination, and additional technical analysis. Based on this work, the Bureau will revise HPS proposal for additional public review and submittal to the Planning Commission for hearings.

PLANNING TECH SUPPORT

This program area supports most technology based requests and activities for the entire bureau: geographic information systems (GIS), graphics, and information systems (IS). It is responsible for performing the majority of maintenance functions on the bureau's web site. The work group also coordinates technology issues and requests between bureau staff and central IT. In addition, the program manager serves as representative to the Citywide Information Technology Leadership Team, Citywide GIS Management Committee, Regional GIS Coordinating Committee and GIS coordinating committees for neighboring counties.

An outcome of the Blueprint 2000 project was an agreement for this group to continue to respond to OPDR Development Review staff requests to minimize costs and maximize efficiencies. The Planning Tech Support staff collaborates with OPDR technical staff on an individual basis as well as on the OPDR-BOP Planning Technology Team in developing recommendations and direction in technology planning for the bureau.

GIS supports the following activities: GIS database design, development, and maintenance; GIS application development and support; ad hoc mapping and analysis for staff and management which include one-time maps and major project mapping; developing and implementing ArcView interactive mapping projects and applications; creating information for slide show presentations in Power Point; training on use of GIS software; coordinating data-sharing and gathering with bureaus and regional/State agencies; participating on bureau teams developing technical policy and procedural issues; maintaining a portion of the bureau's web page.

Graphics coordinates and works in collaboration with planning staff to develop and format all publications including illustration and design; develop electronic visual materials including PowerPoint; support the bureau web page; coordinate and maintain the bureau's artwork for the visual library database; assist in developing templates and standards for bureau documents and presentations.

This group also develops, supports and maintains all bureau databases related to administrative functions (invoicing, equipment inventory, document inventory, project file inventory, archive inventory, zoning history) and specific projects (Historic Landmarks and master mailing lists); serves as TRACS liaison to OPDR; integrates planning for new IT hardware; develops recommendations on protocols for database use; maintains the Zoning Code and Zoning Quarter Sections on the Web; assists in web architecture design; translates data between disparate systems.

ADMINISTRATION

This section provides support to the all bureau programs as well as individual staff. Areas of support include the following:

Finance/Human Resources

Budget development and monitoring, accounts payable, payroll, contract development, interagency and intergovernmental agreement development and tracking, grant tracking, technology, facilities management, and human resource management as well as labor/management representation.

Reception

Central reception for Planning Bureau employees. An agreement was reached with OPDR after the move to the 1900 SW 4th Building for the Bureau of Planning receptionist to serve OPDR Development Review staff housed on the same floor.

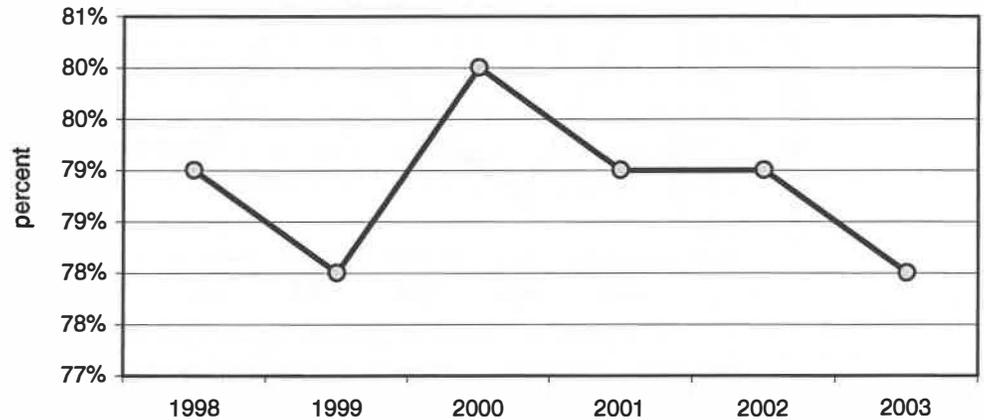
Planning Commission Staffing

The staff supports the Portland Planning Commission in agenda development, meeting logistics, public notification coordination and produces all meeting minutes for the public record.

Performance Measures

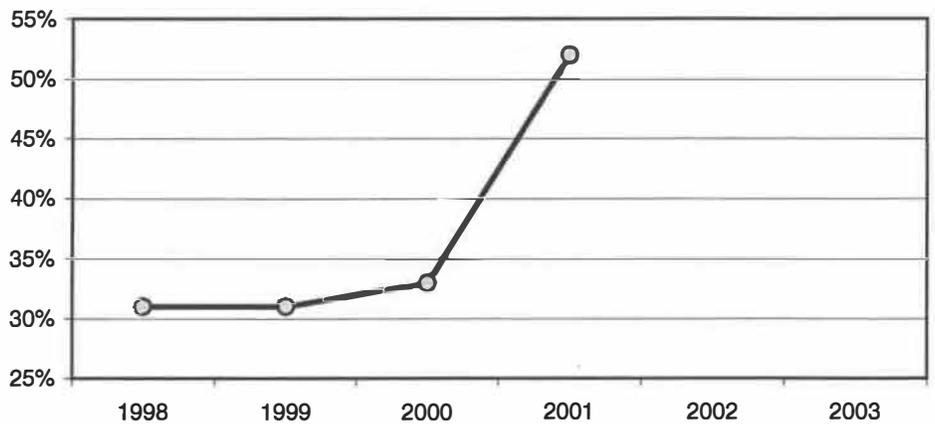
Livability of city rated good or very good

◆ Survey respondents continue to be satisfied with the ultimate outcome of planning efforts—livable communities.



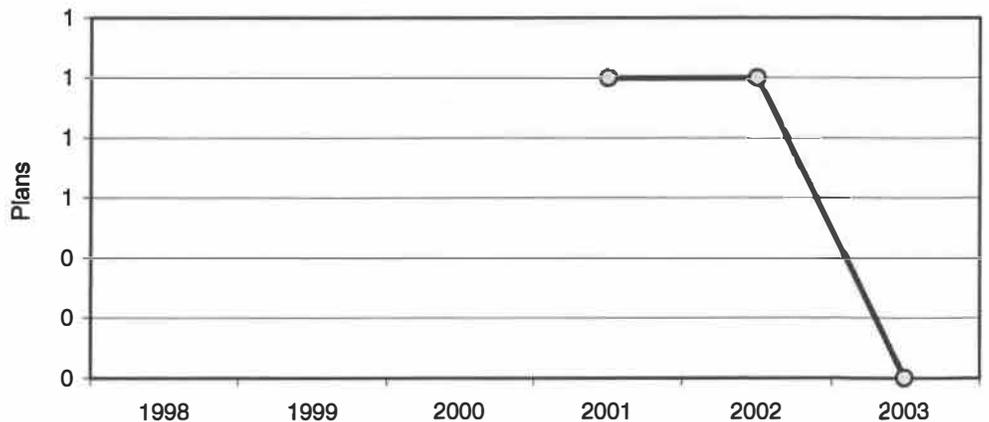
Share of Regions Housing Units

◆ In the past five years, over 30 percent of the houses built inside the UGB have been with the city. The goal is 20% of the regions growth.

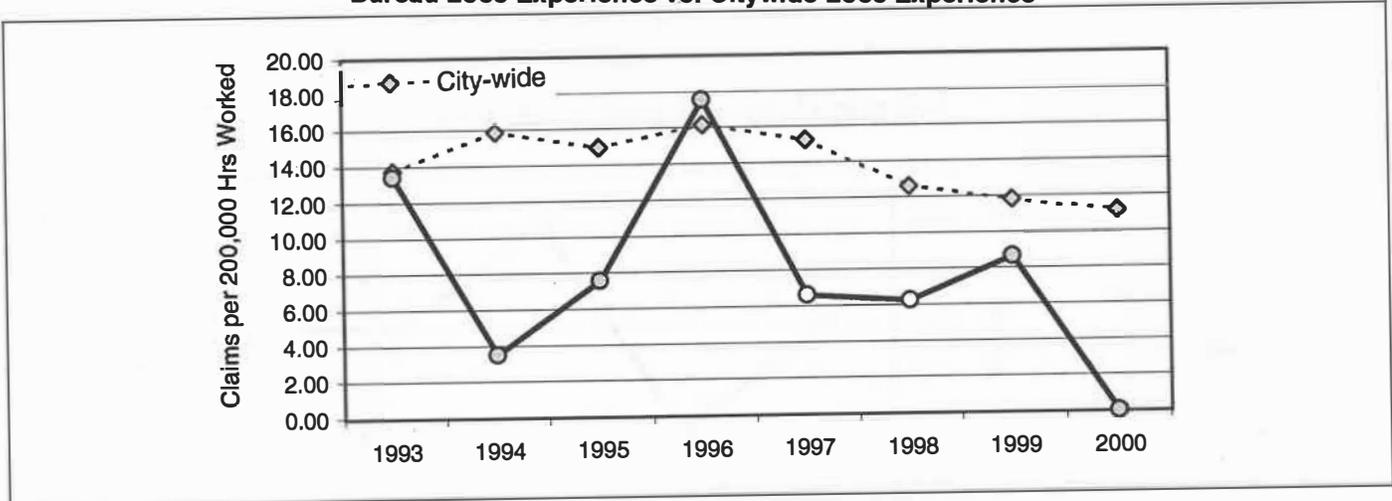


Plan monitoring

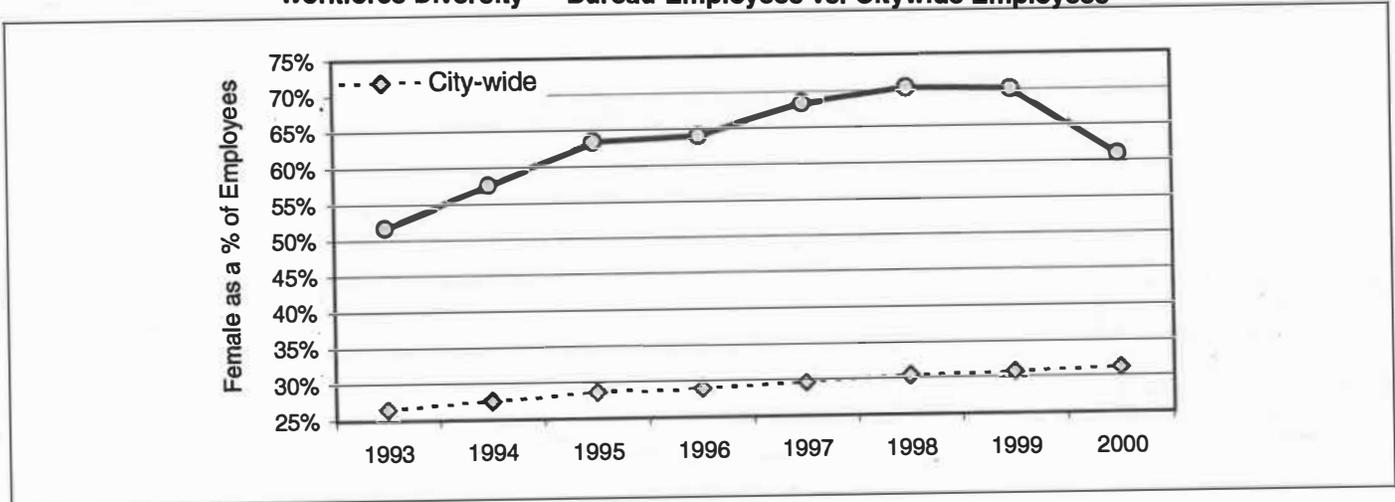
◆ No funding available for plan monitoring for fy 2003



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	3,648,120	4,119,641	5,283,502	4,304,954	4,464,027
External Materials and Services	577,829	949,215	2,287,926	1,194,656	1,194,656
Internal Materials and Services	1,016,372	1,723,366	1,500,816	1,515,776	1,545,862
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	5,242,321	6,792,222	9,072,244	7,015,386	7,204,545
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 5,242,321	\$ 6,792,222	\$ 9,072,244	\$ 7,015,386	\$ 7,204,545
Allocated Overhead	843,261	816,370	784,785	650,843	779,039
Total Cost with Allocated Overhead	6,085,582	7,608,592	9,857,029	7,666,229	7,983,584
RESOURCES					
General Fund Discretionary	4,197,100	5,170,316	6,716,604	5,652,089	5,930,410
Non-Discretionary Revenues					
Grants & Donations	105,441	83,392	10,495	0	0
Contract Revenues	162,439	426,340	999,378	205,000	205,000
Interagency Revenues	761,064	872,556	1,110,441	942,561	882,389
Program Revenue	16,277	22,897	0	0	0
Overhead Recovery	0	216,721	235,326	215,736	186,746
Total Non-Discretionary Revenues	1,045,221	1,621,906	2,355,640	1,363,297	1,274,135
TOTAL GENERAL FUND RESOURCES	5,242,321	\$ 6,792,222	\$ 9,072,244	\$ 7,015,386	\$ 7,204,545

Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.
 Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.

PROGRAMS

Director's Office	0	276,363	322,704	343,143	453,418
<i>Positions</i>	0	3	3	3	3
Intergovernmental Coordination	0	413,758	895,894	802,834	802,834
<i>Positions</i>	0	10	10	9	9
Area and Neighborhood Planning	0	1,550,551	919,002	397,605	397,605
<i>Positions</i>	0	16	8	4	4
Urban Design/Historic Preservation	0	202,604	418,132	489,950	489,950
<i>Positions</i>	0	5	6	6	6
Code Development	0	570,002	495,273	496,749	496,749
<i>Positions</i>	0	7	5	5	5
Environmental Planning	0	2,200,990	2,997,302	2,538,431	2,538,431
<i>Positions</i>	0	16	19	19	19
Albina Community Plan	774,522	72,280	0	0	0
<i>Positions</i>	8	0	0	0	0
Planning Tech Support	0	387,070	458,708	404,844	404,844
<i>Positions</i>	0	5	6	5	5
Administration	320	893,441	1,372,709	1,439,938	1,518,822
<i>Positions</i>	0	5	6	4	4
Comprehensive Planning	0	109,194	0	101,892	101,892
<i>Positions</i>	0	0	0	0	0
City Wide Special Projects	0	100,000	300,000	0	0
<i>Positions</i>	0	1	2	0	0
Urban Renewal Plans	0	0	870,520	0	0
<i>Positions</i>	0	0	5	0	0
Current Planning	(633)	15,969	22,000	0	0
<i>Positions</i>	0	0	0	0	0
City/Neighborhood Planning	1,999,164	0	0	0	0
<i>Positions</i>	26	0	0	0	0
Permit Center	1,302	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Planning Support Group	932,342	0	0	0	0
<i>Positions</i>	7	0	0	0	0
City Wide GIS	5	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Administration	1,535,299	0	0	0	0

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF PLANNING						
Affirmative Action Measures						
Affirmative Action - Minority	10.8%	4.0%	7.1%	5.0%	5.0%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	71.6%	66.0%	60.7%	56.7%	56.7%	
Female Employees as a Percent of Total						
Bureau of Planning						
Risk Data						
General Liability Claims per 200,000 Hours Worked	6.61	6.24	8.64	0.00		
Worker's Comp Claims per 200,000 Hours Worked	1.10	1.04	0.96	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$3.33	\$1.55	\$0.98	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.12	\$0.01	\$0.05	\$0.00		
Director's Office						
Workload						
All Legislative projects will exceed statewide planning and goal requirements for citizen involvement	100%	100%	100%	100%	100%	100%
Infill development			100%	100%	100%	100%
Completed neighborhood and area plans will accomodate/further infill development in appropriate places, such as mixed used areas						
Legislative timeframes met	100%	100%	100%	100%	100%	100%
All Legislative projects will meet timeframes and notices required by law.						
Effectiveness						
Citywide Livability Rating from auditor's SEA citizen's survey of livability Dec 2001 publication	79%	78%	80%	79%	79%	78%
Intergovernmental Coordination						
Effectiveness						
New housing units	3,535	3,690	2,486	2,477		
New housing units built annually based on residential building permits						
Units in the city						
Effectiveness						
New housing units built annually based on residential building permits	31%	31%	33%	52%		
Percent of units from within the UGB which are within the city limits						
Area and Neighborhood Planning						
Effectiveness						
Monitored Plans				1	1	0
Number of Adopted Plans Monitored by Bureau staff						

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FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
515	Accountant II	0	0	1	48,824	0	0	0	0
510	Accounting Technician	1	0	1	32,112	0	0	0	0
819	Administrative Assistant	1	1	0	0	0	0	0	0
926	Administrative Services Manager	1	0	0	0	0	0	0	0
922	Administrative Supervisor II	0	0	1	54,683	1	55,120	1	55,120
950	Assistant Management Analyst	0	0	1	48,673	1	46,142	1	46,142
3228	Associate Planner	6	9	10	399,600	5	218,572	5	218,572
928	Bureau Administrative Manager	0	1	0	0	0	0	0	0
3236	Chief Planner	3	5	3	210,573	2	145,080	2	145,080
114	Clerical Specialist	2	0	0	0	0	0	0	0
131	Customer Accounts Specialist I	0	1	0	0	0	0	0	0
943	Economist II	1	0	0	0	0	0	0	0
2010	Environmental Services Manager	0	1	1	83,791	1	83,791	1	83,791
3194	Environmental Specialist	0	2	2	126,826	2	126,826	2	126,826
3270	Graphics Illustrator I	1	1	1	36,885	0	0	0	0
3271	Graphics Illustrator II	1	1	1	42,710	2	79,595	2	79,595
245	Hearings Clerk	1	1	1	44,762	0	0	0	0
2542	Information Systems Analyst II	2	2	2	113,201	1	55,847	1	55,847
2544	Information Systems Analyst IV	1	1	0	0	0	0	0	0
2550	Information Systems Manager	0	0	1	75,001	1	75,001	1	75,001
2522	Information Systems Tech I	1	0	0	0	0	0	0	0
102	Office Support Specialist II	0	2	3	106,226	3	106,226	3	106,226
104	Office Support Specialist III	0	5	2	77,126	2	77,126	2	77,126
3229	Planner	19	18	11	524,104	8	401,972	8	401,973
3238	Planning Director	1	1	1	107,869	1	107,869	1	107,869
970	Program Manager II	2	2	3	197,747	4	267,605	4	267,605
971	Program Manager III	0	0	1	64,594	1	64,594	1	64,594
972	Program Manager IV	1	3	4	350,044	5	429,631	5	429,631
221	Secretarial Clerk II	2	0	0	0	0	0	0	0
828	Senior Financial Analyst	1	1	1	70,950	1	72,036	1	72,036
3231	Senior Planner	7	8	12	699,173	8	474,973	8	625,344
7494	Sr Community Relation Specialist	0	1	2	98,536	1	65,691	1	65,691
900	Staff Assistant	1	0	1	31,216	1	31,216	1	31,216
3107	Technician I	0	0	2	67,945	2	70,788	2	70,788
3109	Technician III	1	0	1	63,413	1	63,412	1	63,412
TOTAL FULL-TIME POSITIONS		56	67	70	\$ 3,776,584	54	\$ 3,119,113	54	\$ 3,269,485

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	6,734,756	0	6,734,756	54.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(4,714)	0	(4,714)	0.0	Facilities BOMA Adjustment
	152,000	0	152,000	1.0	River Renaissance
	30,086	0	30,086	0.0	Shared PIO position
	60,172	0	60,172	1.0	Shared PIO position PDOT/OMF
	367,000	0	367,000	4.0	River Plan
	20,000	0	20,000	0.0	Metro Annexation Activities
	(70,748)	0	(70,748)	(2.0)	ESA 7% reduction
	(144,886)	0	(144,886)	(3.0)	7% General Fund reduction Admin
	(76,814)	0	(76,814)	(1.0)	7% General Fund reduction Tech Support
	(792)	0	(792)	0.0	OMF BHR Training Reduction
	(31,084)	0	(31,084)	0.0	OMF Internal Savings Cuts GF Savings
	(208)	0	(208)	0.0	BOMA GF Overhead CSL realignment
	(17,973)	0	(17,973)	0.0	7% GF Overhead reduction
	(35)	0	(35)	0.0	OMF GF Overhead BHR Training Reduction
	(1,374)	0	(1,374)	0.0	OMF GF Overhead Internal Cuts GF Savings
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	(60,172)	0	(60,172)	(1.0)	Shared PIO position PDOT/OMF
	110,275	0	110,275	1.0	Farmer's Market Project
	139,056	0	139,056	0.0	Coppea Adjustment technical adjustment
	469,789	0	469,789	0.0	Total FY 2002-03 Decision Packages
			\$ 7,204,545	54.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	189,000	0	189,000	2.0	Strategic Planning
	97,500	0	97,500	1.0	River Renaissance
	79,000	0	79,000	2.0	North Macadam completion
	193,000	0	193,000	2.5	Central City Downtown Plan
	150,000	0	150,000	3.5	NorthWest Transition Plan
			\$ 708,500	11.0	Total Decision Packages Not Funded

Bureau of Planning AU 510

SUMMARY OF BUREAU BUDGET

PROGRAMS								
<i>Positions</i>		<i>14</i>		<i>0</i>		<i>0</i>		<i>0</i>
TOTAL PROGRAMS	\$	5,242,321	\$	6,792,222	\$	9,072,244	\$	7,015,386
<i>Positions</i>		<i>56</i>		<i>67</i>		<i>70</i>		<i>54</i>
<i>General Fund Discretionary Positions</i>		<i>47</i>		<i>34</i>		<i>34</i>		<i>31</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,119,281	2,441,524	3,776,584	3,119,113	3,269,485
512000 Part-Time Employees	157,106	192,275	177,587	74,169	74,169
514000 Overtime	15,718	22,462	26,171	0	0
515000 Premium Pay	15,249	9,373	0	0	0
517000 Benefits	949,201	1,042,713	1,303,160	1,111,672	1,120,373
518000 Paid Absence	391,565	411,294	0	0	0
Total Personnel Services	3,648,120	4,119,641	5,283,502	4,304,954	4,464,027
Materials and Services					
External Materials and Services					
521000 Professional Services	364,868	660,913	1,476,647	746,403	746,403
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	8,816	4,131	27,486	27,000	27,000
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	6,390	26,467	27,342	70,429	70,429
531000 Office Supplies	17,130	52,844	41,103	44,872	44,872
532000 Operating Supplies	2,639	10,529	37,666	37,000	37,000
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	84,000	81,981	142,040	69,160	69,160
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	4,046	8,099	16,797	17,556	17,556
541000 Education	22,819	37,091	48,229	26,500	26,500
542000 Local Travel	7,015	94	1,527	1,500	1,500
543000 Out-of-Town Travel	5,949	16,169	50,810	20,000	20,000
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	54,157	50,897	418,279	134,236	134,236
Total External Materials and Services	577,829	949,215	2,287,926	1,194,656	1,194,656
Internal Materials and Services					
551000 Fleet Services	5,387	8,904	8,240	9,476	9,476
552000 Printing & Distribution	126,661	139,252	146,209	149,819	149,819
553000 Facilities Services	558,688	551,787	546,896	542,525	542,525
554000 Communications Services	54,919	56,297	70,867	72,190	72,190
555000 Data Processing Services	145,683	217,227	225,721	222,098	222,098
556000 Insurance	43,521	155,074	156,440	268,149	268,149
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	20,000	191,386	326,443	251,519	281,605
559000 Other Fund Services	61,513	403,439	20,000	0	0
Total Internal Materials and Services	1,016,372	1,723,366	1,500,816	1,515,776	1,545,862
Total Materials and Services	1,594,201	2,672,581	3,788,742	2,710,432	2,740,518
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 5,242,321	\$ 6,792,222	\$ 9,072,244	\$ 7,015,386	\$ 7,204,545

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 Office of Transportation Director 480

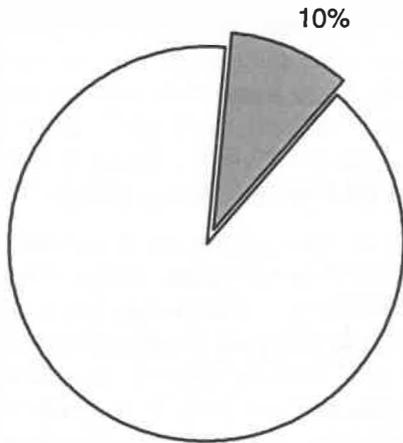


Transportation and Parking

Office of Transportation

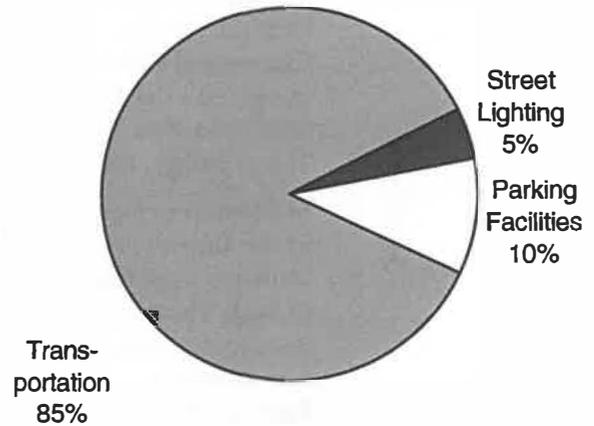
Percent of City Budget

Transportation and Parking = \$138.4 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	81,023,130	79,781,351	-1,241,779	-6.9%
Capital	29,558,799	38,006,635	8,447,836	21.6%
Allocated Overhead Costs	2,502,755	2,492,489	-10,266	-5.8%
Total Cost with Allocated Overhead	\$ 113,084,684	\$ 120,280,475	\$ 7,195,791	0.6%
Authorized Full-Time Positions	702	694	-8	-6.5%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Transportation and Parking Service Area includes those funds and bureaus that plan, build, manage, maintain, and facilitate an effective and safe transportation system and provide access and mobility throughout the City.

The service area includes the Office of Transportation and its related funds: Transportation Operating Fund, Transportation Reserve Fund, and Gas Tax Bond Redemption Fund.

The service area also includes the Parking Facilities Fund, managed by the Bureau of General Services. This fund accounts for the operation and maintenance of six of the seven City-owned parking garages in downtown Portland (the Smart Park system). The six garages are the Third & Alder garage (Morrison Park East), the Tenth & Yamhill garage (Morrison Park West), the Fourth & Yamhill garage, the Naito (or Front) & Davis (Old Town) garage, the O'Bryant Square garage, and the First & Jefferson garage.

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MAJOR THEMES

Portland Office of Transportation

Service Level Reductions

Portland Transportation is reducing service levels by \$5.3 million to balance revenues and requirements.

- ◆ Bureau of Maintenance cuts total \$2.5 million.
- ◆ Bureau of Transportation Systems Management cuts total \$1.6 million.
- ◆ Bureau of Transportation Engineering & Development cuts total \$556,114.
- ◆ Office of the Director cuts total \$641,914.

Reduction in General Fund Support

In FY 2002-03, General Fund discretionary will be reduced by \$345,823. This represents the 7% across-the-board reduction directed by Council for all General Fund activities.

Continuing General Fund Support

The Adopted Budget for FY 2002-03 includes \$6.4 million in General Fund support:

- ◆ \$6.0 million on-going support for street light operations and maintenance
- ◆ \$350,000 for street light capital improvements
- ◆ \$84,795 to support an apprenticeship program within the Bureau of Maintenance

Revenue Options

PDOT has identified revenue options for making certain programs self-sufficient, totalling \$182,500 in new revenues:

- ◆ Area Parking Permit Program \$170,000
- ◆ Special Events \$12,500



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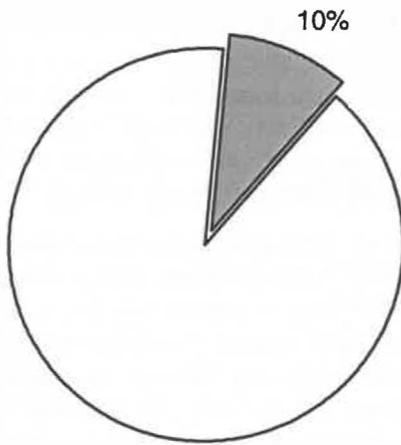


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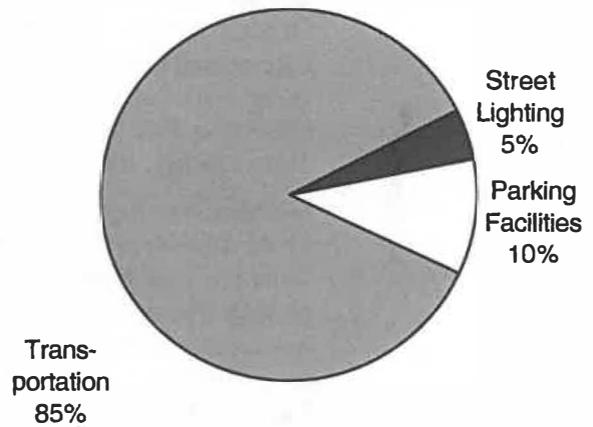
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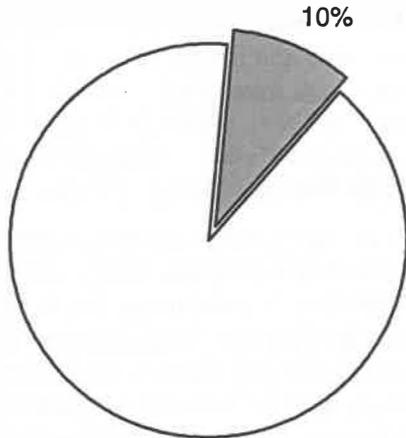


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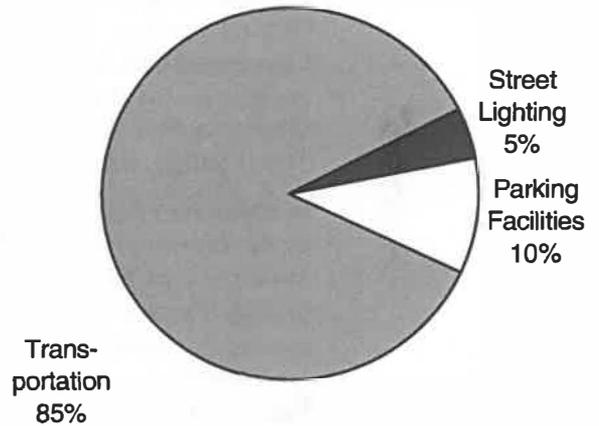
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Office of Transportation

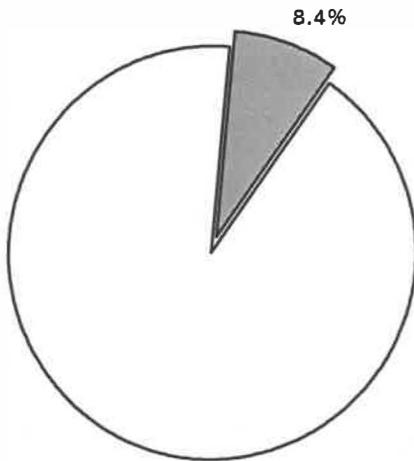
Transportation and Parking Service Area

Jim Francesconi, Commissioner-in-Charge

Brant Williams, Acting Director

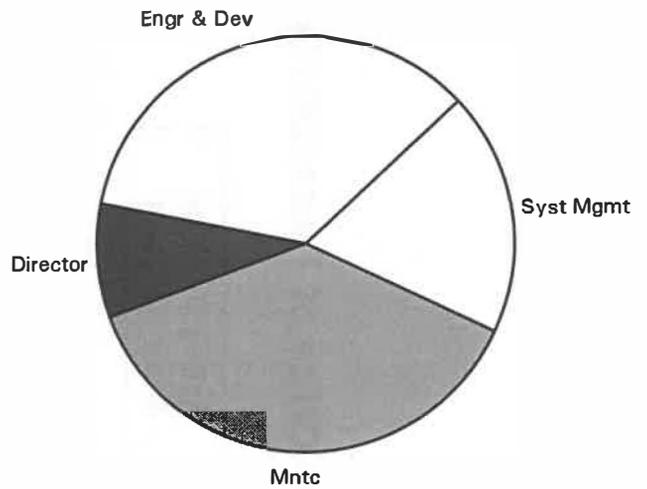
Percent of City Budget

Transp = \$117.8 Million



City Budget = \$1.4 Billion

Bureau Divisions

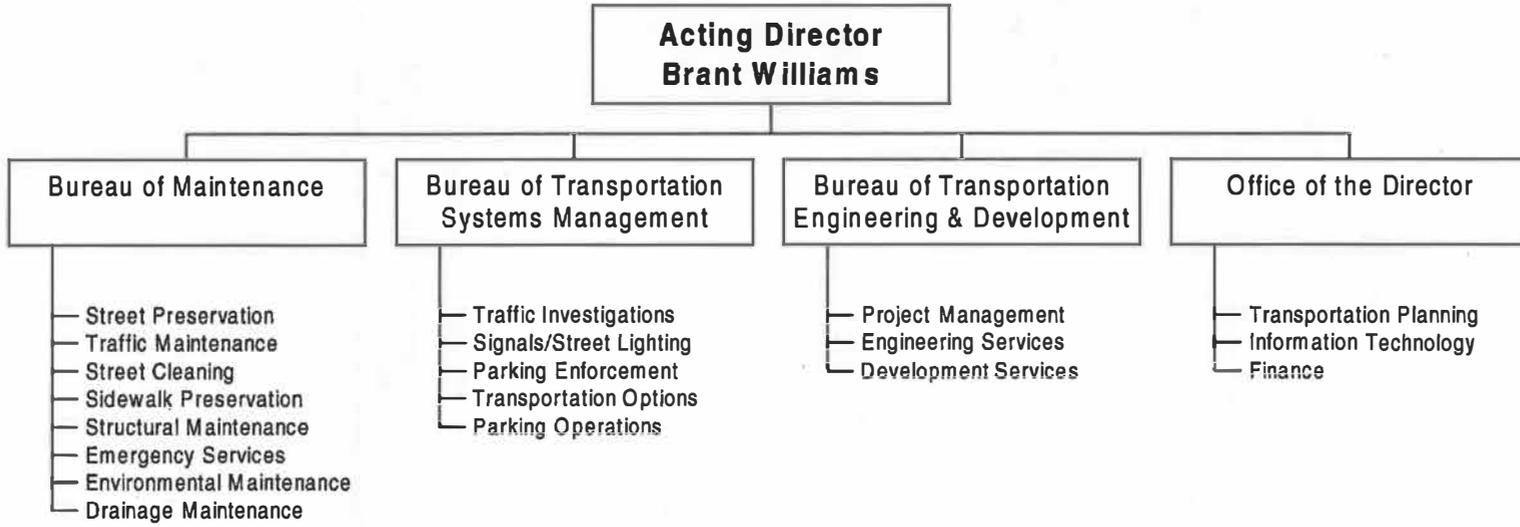


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Portland Office of Transportation



**Acting Director
Brant Williams**

Bureau of Maintenance

- Street Preservation
- Traffic Maintenance
- Street Cleaning
- Sidewalk Preservation
- Structural Maintenance
- Emergency Services
- Environmental Maintenance
- Drainage Maintenance

**Bureau of Transportation
Systems Management**

- Traffic Investigations
- Signals/Street Lighting
- Parking Enforcement
- Transportation Options
- Parking Operations

**Bureau of Transportation
Engineering & Development**

- Project Management
- Engineering Services
- Development Services

Office of the Director

- Transportation Planning
- Information Technology
- Finance

Bureau Summary

BUREAU MISSION

The Portland Office of Transportation is a community partner in shaping a livable city. We plan, build, manage, and maintain an effective and safe transportation system that provides access and mobility.

VISION AND VALUES

- Vision**
- Portland will continue to be a national model for managing growth. The livability and economic health of the city will be maintained because of decisions made by community leaders and residents. Portland's downtown will continue to be the center of a safe, attractive, and vital city. Neighborhoods and community business districts will be thriving. Housing will be affordable, and family-wage jobs will be available.
- Residents will have a broad range of safe and convenient transportation options and will frequently walk, bicycle, carpool, or ride public transit as their first choice of transportation. The community as a whole will have an attitude of stewardship in making transportation decisions, and will understand the relationship between transportation, the environment, and livability. Portland will have a competitive economic advantage because congestion is managed and air quality is good.
- Values**
- In the Portland Office of Transportation we value:
- ◆ Serving public to the best of our collective ability, working cooperatively with the community, other jurisdictions and City bureaus, and contributing to a higher quality of life for future generations.
 - ◆ A balanced, multi-modal transportation system that supports a healthy economy and a livable compact community.
 - ◆ A well-maintained and safe transportation system.
 - ◆ Respect for the natural environment as we plan, build, operate and maintain the transportation system.
 - ◆ Using the public right-of-way to create a quality community by designing and constructing streetscapes that people are proud of and will use.
 - ◆ A safe and supportive work environment for all employees; one that encourages innovation, efficiency, responsiveness, stewardship, independent thinking, respect, flexibility, professional growth, teamwork, and reasonable risk-taking.
 - ◆ A work force that is diverse, efficient, hard-working, dedicated, productive, well-trained, and that effectively responds to the unexpected.
 - ◆ Efficient and effective use of our financial, capital and human resources.

BUREAU OVERVIEW

Portland Office of Transportation

The Portland Office of Transportation (PDOT) is organized into four bureaus. The functions and services performed by each bureau are described below.

**Bureau of
Maintenance**

The Bureau of Maintenance (BOM) is charged with the responsibility of preserving the public investment of over \$5.5 billion in transportation facilities and \$1.5 billion in sewer infrastructure by inspecting, cleaning, maintaining, and repairing all transportation- and sewer-related infrastructure within the city of Portland. The infrastructure consists of streets, the sewer collection system, sidewalks, bridges, curbs, intersections, street corners, retaining walls, guardrails, stairways, traffic signals, traffic control devices, and parking meters. In addition, the bureau performs around-the-clock response to emergencies such as storms, floods, and other incidents that inhibit safe transportation. The bureau is currently organized into the following programs:

- ◆ Street Preservation Program
- ◆ Traffic Maintenance Program
- ◆ Street Cleaning Program
- ◆ Sidewalk Preservation and Safety Program
- ◆ Structural Maintenance Program
- ◆ Emergency Services Program
- ◆ Environmental Maintenance
- ◆ Stormwater Maintenance Program

**Bureau of
Transportation
Systems Management**

The Bureau of Transportation Systems Management (BTSM) manages and operates the transportation, traffic signal, parking and street lighting systems of the City of Portland. Responsibilities include maintaining and improving safety for the traveling public; reducing the number of traffic accidents; optimizing the efficiency of the transportation system; protecting the livability of the city's residential areas while accommodating economic development; managing and maintaining street lights; and maintaining and improving on-street paid parking to facilitate economic growth. The bureau is currently organized into the following programs:

- ◆ Electrical Maintenance Program
- ◆ Parking Enforcement Program
- ◆ Parking Operations Program
- ◆ Street Lighting Program
- ◆ Traffic Investigations Program
- ◆ Traffic Signals Program
- ◆ Transportation Options Program

**Bureau of
Transportation
Engineering and
Development**

The Bureau of Transportation Engineering and Development (BTED) is the capital investment and development service arm of the Portland Office of Transportation. Responsibilities include developing and managing a variety of transportation projects that are multi-modal and responsive to the requirements of land use and urban design objectives in the community, including 2040 Town Centers and Main Streets, Neighborhoods, Freight Access, and Special Area Projects. The bureau facilitates public and private development of

job opportunities, which leads to jobs creation, housing construction, and enhanced neighborhood livability through oversight of private development activities. The bureau provides survey, design, inspection, and construction management and technical support for capital improvement projects. The bureau also ensures the safety and serviceability of the City's bridges. The bureau is currently organized into the following programs:

- ◆ Project Management Program
- ◆ Engineering Services Program
- ◆ Development Services Program

Office of Transportation Director

The Office of the Director (OTD) provides overall administrative, financial, and planning guidance and support for the Portland Office of Transportation. Responsibilities include development and implementation of transportation policies; participation in local and regional planning for transportation projects; and advocacy for City of Portland interests. OTD provides transportation studies and plans for development areas, coordinates the City's participation in the Regional Transportation System Plan, and supports the City's goals for housing and employment growth in specific districts of the city. The Office of the Director is responsible for the development and operations of data resources including the Infrastructure Management System, Geographic Information System, technology management, and data management. The bureau provides financial services including financial planning and revenue forecasting; budget development and coordination; grant and cost accounting; and processing accounts payable and receivables. The bureau is currently organized into the following programs:

- ◆ Transportation Planning Program
- ◆ Information Management Program
- ◆ Finance Program

HIGHLIGHTS OF PROGRAMS AND SERVICES

Community Building

PDOT continues to be a leader and key partner in planning and building a livable community. Major accomplishments in the past year include:

- ◆ *Portland Streetcar and Lovejoy Ramp* - The Portland Streetcar opened for service on July 20, 2001. It provides high-quality transit service to the existing neighborhoods in Northwest Portland and to the Pearl District. The streetcar line also serves the Brewery Blocks and Museum Place developments, as well as Portland State University. The new Lovejoy Ramp re-opened on May 3, 2002, reconnecting the east and west sides of the river via the Broadway Bridge.
- ◆ *Rosemont* - A 7.6 acre site in the Piedmont neighborhood was transformed into a livable community for seniors and low- and moderate-income residents. To support 165 units of new housing, a multi-modal network of new sidewalks, path, and streets were installed for pedestrians, bicyclists, and cars.
- ◆ *Lents* - The first two major phases of the Lents neighborhood street paving work were completed on time and under budget in Summer 2002. 4,608 linear feet of new street paving was completed. Property owner support in a local improvement district (LID) was as high as 89% in this economically-disadvantaged area, offering a model for the rest of the city to follow in using LIDs.

- ◆ *Belmont/Morrison* - This project, completed in April 2001, enhanced the one-way couplet with curb extensions at transit stops, provided a redesigned traffic island at 25th Avenue to slow traffic speeds, and installed a new pedestrian crossing location. Pedestrian safety and business development opportunities were improved.
- ◆ *Hollywood/Sandy Boulevard Plan American Planning Association Award* - The Hollywood Town Center Plan is an example of blending economics, transportation, land use and urban design elements in a high-profile public process that resulted in an award winning street and urban design plan. Elements of the Plan include main street design features such as curb extensions, pedestrian amenities, and new zoning regulations to promote active ground floor retail and mixed use development. The Sandy Boulevard portion of the project will receive state funds to begin design in 2002 and construction in 2003-2004.

Economic Vitality

Transportation plays an integral role in helping to maintain the competitiveness and vitality of business and employment centers. Major accomplishments in the past year include:

- ◆ *Lower Albina Overcrossing* - For over 20 years, the Lower Albina industrial area has had access problems due to traffic blockages at five at-grade main line rail crossings at the south end of the Union Pacific Railroad Yard. The completed \$16.3 million Lower Albina overcrossing bridge now provides safe and efficient access. This project was funded through a unique combination of resources including a local improvement district, Union Pacific Railroad, Tri-Met Interstate MAX Project, Oregon Department of Transportation Rail Division, and City transportation funds and system development charge funding.
- ◆ *I-5 Trade Corridor* - Congestion on I-5 between I-84 and the Columbia River crossing is one of the single most important regional issues affecting Oregon and Washington economies in terms of commodity movement. As a partner with ODOT on this multi-phase project, PDOT has helped develop multi-modal alternatives to enable the community and I-5 users to make improvement choices.
- ◆ *Gateway Regional Center Plan* - PDOT received the largest Transportation and Growth Management (TGM) grant ever awarded by ODOT to develop street and boulevard design guidelines and a traffic operations plan for the Gateway Regional Center. The Plan will contain changes to the streetscape to encourage more mixed-use developments and pedestrian friendly improvements as the district develops.
- ◆ *Marine Drive-Rivergate* - This project improves vehicular capacity for Rivergate, relieves congestion, and supports the movement of freight to and from this major industrial area. A section of Marine Drive is being widened to 5-lanes with a center turn lane, bike lanes, sidewalks, bus pull-outs, and pedestrian refuges. Construction also includes facilities for stormwater quality treatment, hazardous spill containment, and noise reduction.

Providing Options

Providing attractive alternatives for how people choose to move about the community is a key strategy to preserve livability. Major accomplishments include:

- ◆ *Bike Award and Lane Miles* - In November 2001, Bicycle Magazine recognized Portland as Best Overall Bicycle Friendly City in the U.S. The Eastbank Esplanade and a walk and bike path completing the downtown River Walk loop were excellent additions to the system. There are over 220 miles of bikeways and over 3,100 bicycle trips across the Hawthorne Bridge daily. Portland was lauded for programs like "Missing Links" where the City spends \$100,000 a year to complete portions of the bike network that were unable to be completed as part of larger projects and to make small fixes to the system as well as maintain the bike lane network as part of street repaving projects. This year 24 projects were completed adding nearly five miles of bikeways to the bicycle network.
- ◆ *CarpoolMatchNW.org* - This project, launched in April 2002 during Portland's Earth day celebration, is a first of its kind project designed to reduce 163 million vehicle miles of travel and offset carbon dioxide (CO₂) emissions in the Portland area by 70,000 metric tons in 10 years. This web-based rideshare matching system connects people interested in carpooling or vanpooling anywhere in the northern Willamette Valley. Funding from the Climate Trust, a non-profit organization created to fund clean air projects around the world and support from numerous partners such as Tri-Met, C-Tran and the region's transportation management associations made this project possible.
- ◆ *Fareless Square* - September 9, 2001 marked opening day for the extension of fareless square to Lloyd District. It is easier than ever to get around downtown and in Lloyd without driving. Portland residents and visitors can ride buses and MAX free and travel between businesses, restaurants, shopping, the convention center, hotels and their favorite destinations throughout this extended downtown, while reducing auto trips, improving our air quality and promoting commerce and livability of Portland. The funding agreement came together with contributions from Tri-Met, the City, Multnomah County, and the Lloyd District BID.

Service Efficiency

PDOT continues to strive to keep a lid on the cost of providing services. With a continuation of decreasing resources these efforts have a heightened importance:

- ◆ *Recycling* - Approximately 100,000 cubic yards of construction and maintenance waste was recycled or reused saving nearly \$1 million. Recycled items include asphalt, wood, metal signs, concrete, gravel, sweeper debris and leaves.
- ◆ *Sewer Pipe Technology* - A "no-dig" program was initiated, which allows crews to repair broken sewer pipes by installing a new liner without excavating the pipeline. Repairs can be made with minimal spot excavations. 109 repairs using the new technology were completed, saving over \$350,000.
- ◆ *Asset Management Plans* - Plans were completed for major infrastructure facilities (streets, traffic signals, signs, and street lights). The plans prescribe best management practices and strategies for protecting the public's investment in major infrastructure facilities.
- ◆ *LED Conversion* - 13,400 traffic signal incandescent light bulbs (reds & greens) were replaced with light emitting diode (LED) modules, reducing total traffic signal energy usage by 57%, saving 4.75 million KWH per year (worth \$335,000), and reducing annual maintenance costs by \$25,000.

- ◆ *Utility Coordination/Specs* - Utility excavations in the central business district have reduced the life span of street pavement, created traffic congestion and impacted adjacent residents and businesses. In partnership with business groups, utility companies, City bureaus and outside agencies, new standards have been adopted to improve trenching and pavement restoration, reduce the disruptions, and limit new excavations during the first five years after a repaving project.

Safety Providing improvements for the safety of the travelling public is a core mission responsibility. Noteworthy efforts include:

- ◆ *Red Light Running Camera Enforcement Program* - Implemented a program to address serious safety issues at five high-collision intersections. Frequency of red light violations has been reduced significantly.
- ◆ *Youth Education Program* - This program works to increase the safety and livability of Portland's neighborhoods through a school based education effort. This program encourages children to walk, ride bicycles, and use mass transit as a primary means of transportation and to instruct children in basic pedestrian, bicycle, transit and vehicle occupant safety. This year "Kids on the Move" reached nearly 15,000 children with transportation safety curricula. Bike and pedestrian hands-on safety training was conducted at eight elementary schools for three days training over 5000 students and fitting them with helmets and giving away a bike at each school. The popular summer "Play it Safe" program in cooperation with Bureaus of Parks, Police and Fire held programs in about 28 parks and trained over 1,300 in bike, pedestrian and fire safety and conducted helmet fittings and gave away 28 bikes.
- ◆ *Traffic safety Response at Schools* - Facilitated partnerships with school communities (including school police, administrators, safety coordinators, district transportation officials, parents, students, and neighborhood residents) to address school traffic and transportation issues, define problems, and provide low-cost solutions. In addition, five schools received grants to participate in Oregon's Safe Routes to School Program.
- ◆ *Audible Pedestrian Signals (APS)* - APS lets visually impaired citizens know when it's safe to cross the street at signalized intersection. APS devices were added to 20 crosswalks. A \$75,000 State grant has been approved to install APS devices at 10 to 15 additional crosswalks next fiscal year.

SUMMARY OF BUDGET DECISIONS

Service Level Reductions

Transportation is reducing service levels by \$5,284,810 to balance revenues and requirements:

- ◆ Reduced local and arterial street maintenance, resulting in an increase in the paving backlog (\$1,070,000).
- ◆ Eliminated street area landscape maintenance (\$529,000).
- ◆ Reduced livability services such as mowing and spraying, and street beautification (\$392,000).
- ◆ Reduced other Maintenance services (\$100,000).
- ◆ Reduced administrative support (\$399,000).
- ◆ Re-focused the Transportation Options Program to focus on public education efforts and removing barriers to alternative mode access in a few geographic areas (\$264,500).
- ◆ Decreased service (increased turn-around time) for requests for data collection, public inquiries regarding traffic investigations. Reduction in support or increase in cost recovery for special events. Eliminates two red light cameras. (\$468,200).

- ◆ Reduced upgrades, maintenance, and modernization of traffic signals (\$712,000).
- ◆ Reduced parking signs and pavement markings placed in the right-of-way to guide the public (\$40,000).
- ◆ Re-organized and reduced management in Parking Enforcement (\$56,700).
- ◆ Increased cost recovery (particularly on CIP projects) and internal efficiencies. Reduction in development partnering program (\$478,778).
- ◆ Reduced and re-organized Transportation Planning staff and projects (\$347,000).
- ◆ Reduced and re-organized Finance workload (\$188,000).
- ◆ Deferred IT server replacement (\$30,000).
- ◆ Transferred the Communications Director position to Planning and paying for a part-time Public Information Officer services (\$56,914).
- ◆ Reduced professional and technical services (\$152,718).

General Fund Cuts General Fund cuts total (\$345,823).

- ◆ Decreased service for street lighting operations and maintenance; delayed re-installation of downed street lights, eliminated pole painting, curtailment of in-fill lighting, and reduced response to citizen concerns about lighting problems. (\$345,823).

General Fund Support The General Fund supports the following services totalling \$6,424,151;

- ◆ Street Lighting Operations and Maintenance, \$5,989,251
- ◆ Apprenticeship Program, \$84,900
- ◆ Street Lighting Capital, \$350,000

Revenue Options PDOT has identified revenue options for making certain program services self-sufficient, totalling \$182,500 in new revenues;

- ◆ Area Parking Permit Program \$170,000
- ◆ Special Events \$12,500

Strategic Direction

SIGNIFICANT ISSUES

Summary of Current Situation

PDOT faces significant budget cuts in its operating budget in coming years. Projected expenditure requirements are increasing while revenues are forecasted to remain flat. A number of factors contribute to this situation.

Responsibilities growing, more complex

A significant driver behind PDOT's growing expenditures is the expansion of its responsibilities. There are three interrelated principal factors: population growth, resulting in more demand for transportation facilities and services; the expansion, aging, and deterioration of inventory; and the assignment of new operating and fiscal responsibilities.

Population Growth

The 2000 Census reported that the Portland metropolitan area grew 21.8% since 1990, from 1.5 million to 1.85 million. Metro predicts that population in the region will grow to approximately 2.4 million by 2020.

This increase in population and density increases the use of and stress on the transportation system. In the past twenty years, Oregon's population has grown 20% and the vehicle miles traveled (VMT) on the system in the same period have increased by 40%. Higher VMT means more wear and tear, and greater maintenance and repair requirements.

Inventory Condition

PDOT's inventory has grown, is aging and deteriorating, and its use increases with population growth. For example, total improved pavement lane-miles have increased 51% since 1980. Over the same period, the backlog of unmet paving needs has grown 76%, from 285 to 502 lane-miles. Meanwhile, the paving budget increased only 29% (adjusted for inflation). Over the last 11 years, the budget has actually declined 7% while inventory increased 11%.

New responsibilities

The City's responsibilities for transportation system maintenance and management also grow as new amenities are added to the transportation system. Recent visible examples are the addition of the Streetcar system. This new City-owned asset is an important, dynamic addition to the cityscape and contributes significantly to the city's present and future livability. However, this and other additions to the system also require new long-term commitments for operations, maintenance, repair, and replacement.

Further, PDOT is now being asked to pay for some functions out of gas tax revenues which formerly were paid for by other sources, such as the Leaf Removal program. PDOT now pays for a portion of the cost of expanding Fareless Square to Lloyd Center. These additional responsibilities put pressure on PDOT's operating budget.

Recent history of budget cuts

PDOT has been in cutback mode for the last several years. Declining revenues and other initiatives such as the Administrative Services Review process have resulted in several rounds of cuts. In those past rounds of budget cutting, PDOT's strategies were:

- ◆ Program triage. Perform a basic triage to sort PDOT programs into three categories - basic, necessary, and desired - with the goal of prioritizing funding for basic programs and prioritizing cuts in desired programs.
- ◆ Short-term funding bridges. PDOT made internal cuts, implemented service delivery efficiencies, reduced contingency funds, re-organized programs, tapped one-time funding sources, and reduced its General Transportation Revenue capital investment program in order to reprogram GTR for ongoing programs.

However, PDOT has reached the limit of effectiveness of those strategies. Even if PDOT cut all services except those classified as basic, the budget would not be balanced. This means that cuts to at least some core services are required, as well as a new strategy for approaching these cuts. The new strategy is built around two central concepts:

Service Level Bridges

The concept of "service level bridges" is a means to identify areas where service levels can be reduced for the short- to medium-term without increasing the long term financial liability for the community.

For example, PDOT believes it is possible - in the short run - to reduce street pavement maintenance without having any additional streets fall into such disrepair as to require expensive reconstruction.

Balance

The City of Portland's transportation system has earned national acclaim for its innovation and creative approaches to solving difficult problems. While it might be tempting to cut back all functions not directly related to current system maintenance and operations, in the long run it is both fiscally and operationally more prudent to continue to invest at least at some level in future planning and innovative programs. The long-term risk of dismantling such high-quality programs is that they will be much more difficult and expensive to reestablish later than to maintain some basic level of this capacity today.

MANAGEMENT GOALS & OBJECTIVES**Long-Term Goals**

The Portland Office of Transportation Strategic Plan outlines the office's vision, mission, values and priority issues. To achieve Portland's vision of the future, Portland Transportation will address the following five priority issues:

Growth and Livability

Goal: Ensure that the City's transportation system becomes more multi-modal, supports growth, enhances livability, and improves public safety.

Maintenance and Preservation of the Transportation System

Goal: Maintain and preserve the investment in the transportation infrastructure.

External Communication

Goal : Build effective working relationships with the public, customers, and other partners, and create awareness and understanding of transportation issues among city residents and City employees.

Staff Development and Organizational Efficiency and Effectiveness

Goal : Make Portland Transportation an exemplary organization.

Funding

Goal : Ensure that Portland Transportation has financial resources to maintain the public investment in the infrastructure, and to improve the transportation system to accommodate and manage growth and maintain regional accessibility.

COUNCIL PRIORITIES

Council Issues and Priorities

Portland Transportation continues to work toward the City's policy goals and meet major growth and livability objectives. The office invests in the central city and adjacent neighborhoods with significant housing and job opportunities. It maintains the citizens' investment in the transportation infrastructure. The office also develops transit, bicycle and pedestrian improvements to provide the public with transportation choices. These efforts are important to reduce congestion, increase safety, maintain quality of life and ensure mobility for all citizens and commerce.

Portland Transportation's activities support all of the Council's priorities, either directly or indirectly. The office most significantly impacts the following priorities:

- ◆ Ensure decent, affordable housing.
- ◆ Build a livable city through good planning and well-managed growth.
- ◆ Promote economic vitality and access to quality jobs for all.
- ◆ Maintain a financially stable city.
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in City activities and services.
- ◆ Keep the central city vital.
- ◆ Build a multi-modal transportation system.
- ◆ Grow as an international city.
- ◆ Become a more effective partner in the region.
- ◆ Build a sense of community by promoting participation, connectedness, and partnerships.
- ◆ Continuously improve the delivery of quality public services.

Future Focus

Portland Transportation addresses a number of strategic goals articulated in Portland Future Focus:

- ◆ Manage regional growth to provide effective public services at the lowest possible cost, to improve environmental quality, and to enhance the quality of life.
- ◆ Ensure that each neighborhood is healthy and vigorous.
- ◆ Retain and continue to develop the unique character of Portland as a major metropolitan area.
- ◆ Maintain Portland as the vibrant core of the region's commercial and cultural life.
- ◆ Implement alternatives to the automobile in the region.
- ◆ Encourage the conservation of resources and energy.

Benchmarks

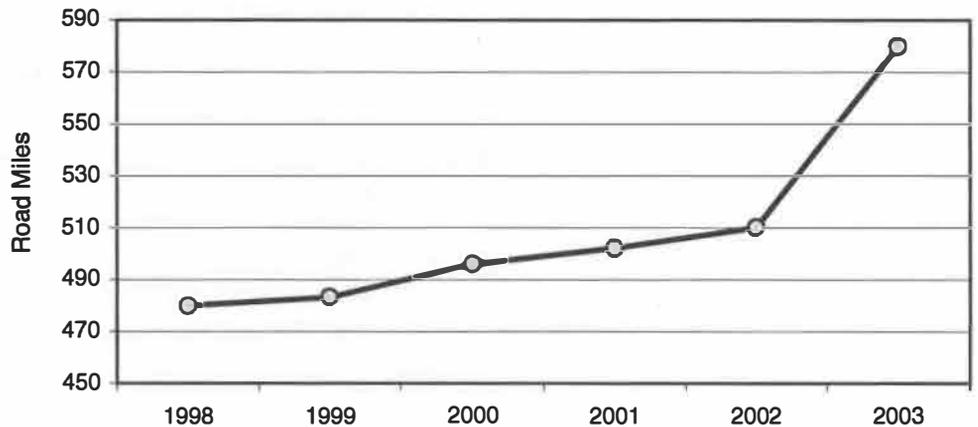
Portland Transportation addresses a number of Portland-Multnomah County Benchmarks, including but not limited to the following:

- ◆ Percentage of people who rate their neighborhood livability high.
- ◆ Percentage of citizens who feel safe and secure.
- ◆ Percentage of streets rated acceptably clean and percentage of citizens who rate their streets acceptably clean.
- ◆ Percentage of population that lives within one-half mile walk of transit service or bike path.
- ◆ Percentage of people who commute (one-way) within 30 minutes between where they live and work and percentage who commute to and from work and use multiple modes of transportation for commuting.
- ◆ Number of days per year the community meets government ambient air quality standards/carbon dioxide emissions as a percentage of 1990 emissions.
- ◆ Percentage of emergency service agencies with emergency plans and emergency response plans in place that are regularly exercised and updated.

Performance Measures

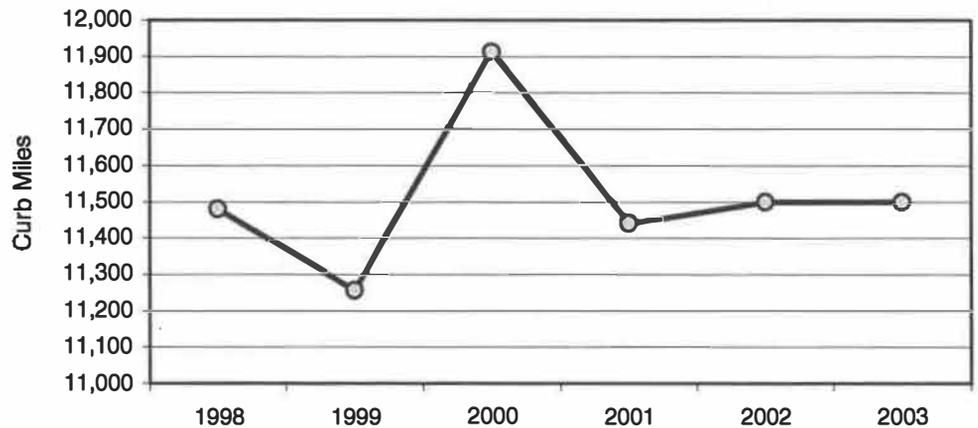
Paving Backlog

- ◆ The backlog is increasing due to reduced funding.
- ◆ The budget for street preservation was cut by \$1,070,000 this fiscal year.



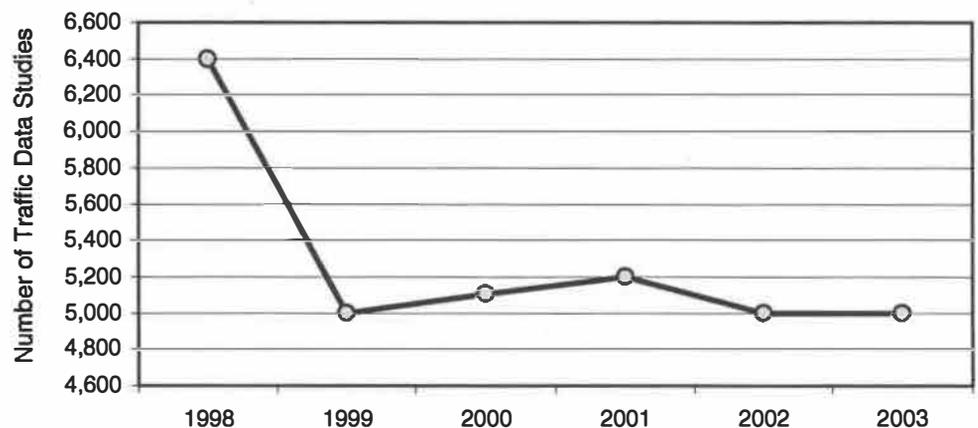
Curb Miles Street Cleaned

- ◆ Arterial streets are cleaned ten times a year.
- ◆ Residential streets are cleaned four to five times a year
- ◆ The Central Business District is cleaned six nights a week.



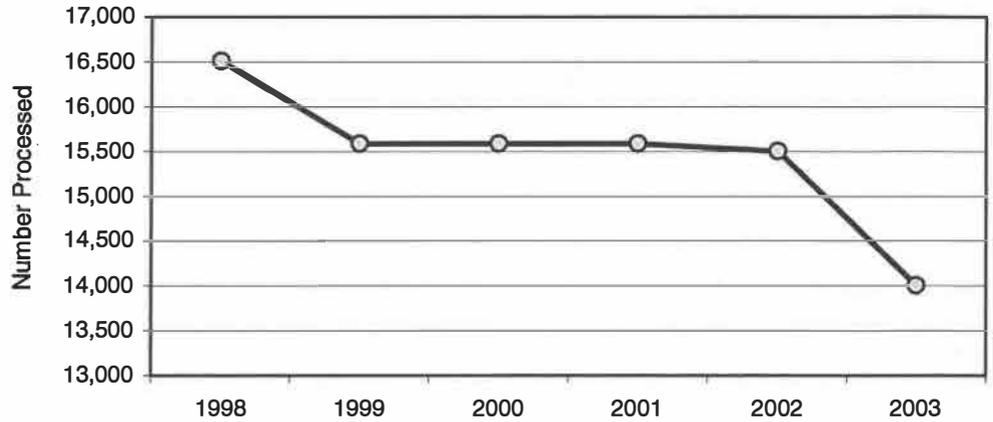
Traffic Data Studies Performed

- ◆ Traffic data studies include making counts of traffic volumes, speeds, and turning movements.

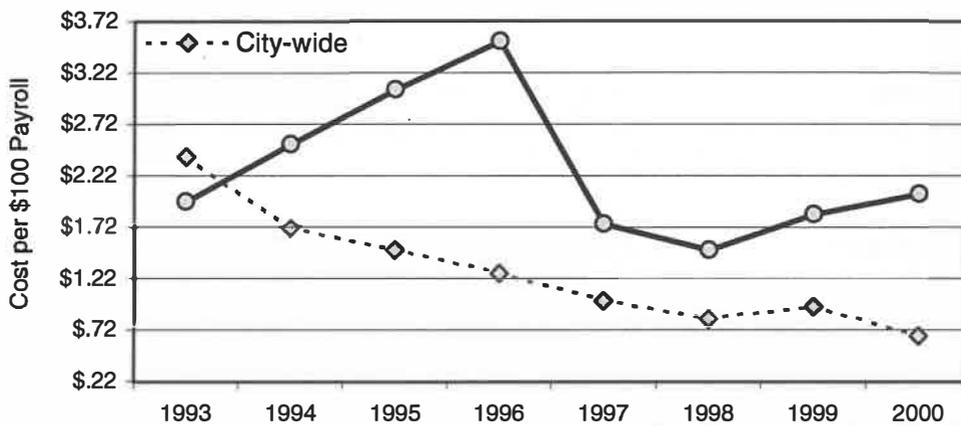


Applications, Permits, and Acquisitions Processed

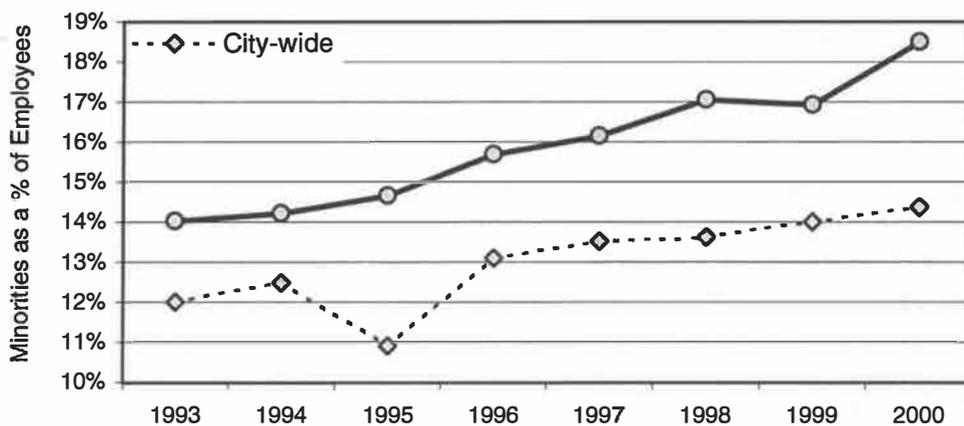
◆ Permit levels are expected to decrease slightly due to the downturn in the economy.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF TRANSPORTATION						
Affirmative Action Measures						
Affirmative Action - Minority	17.0%	18.2%	17.7%	17.8%	17.9%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	25.1%	25.3%	24.9%	24.4%	24.2%	
Female Employees as a Percent of Total						
Bureau of Maintenance						
Risk Data						
General Liability Claims per 200,000 Hours Worked	63.34	49.63	43.73	44.34		
Worker's Comp Claims per 200,000 Hours Worked	22.96	17.87	20.27	18.58		
Fleet Claims per 100,000 Miles Driven	3.36	1.68	1.60	1.20		
Fleet Claims Cost per 100,000 Miles Driven	\$25,221	\$3,307	\$2,790	\$1,010		
General Liability Claims Cost per \$100 Payroll	\$1.63	\$1.22	\$1.10	\$0.81		
Worker's Comp Claims Cost per \$100 Payroll	\$1.75	\$1.50	\$1.84	\$2.04		
Street Preservation						
Workload						
Paving Backlog (Road Miles)	480	483	496	502	510	580
The paving backlog represents the number of miles of streets that need maintenance work but have not been treated due to insufficient funds.						
Traffic Maintenance						
Efficiency						
Traffic Signs Maintained (Cost per Location)	28.52	31.93	45.83	39.00	40.00	40.00
Street Cleaning						
Workload						
Central Business District Sweeping (Curb Miles)	11,479	11,256	11,912	11,440	11,500	11,500
The City provides street cleaning on city streets.						
Bureau of Transportation Systems Management						
Risk Data						
General Liability Claims per 200,000 Hours Worked	13.01	15.78	11.64	11.50		
Worker's Comp Claims per 200,000 Hours Worked	7.44	10.21	4.85	13.15		
Fleet Claims per 100,000 Miles Driven	1.58	1.65	0.27	0.57		
Fleet Claims Cost per 100,000 Miles Driven	\$2,432	\$7,822	\$140	\$440		
General Liability Claims Cost per \$100 Payroll	\$0.14	\$0.24	\$1.78	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$1.01	\$0.94	\$0.58	\$0.44		
Traffic Investigations						
Workload						
Traffic Data Studies Performed	6,400	5,000	5,104	5,200	5,000	5,000
Traffic data studies include making counts of traffic volumes, speeds, and turning movements.						
Effectiveness						
% Response to Traffic Requests	45%	50%	50%	75%	75%	75%

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Office of Transportation Director						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	0.00	3.88		
Worker's Comp Claims per 200,000 Hours Worked	2.63	2.71	5.12	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.03	\$0.33	\$0.12	\$0.00		
Transportation Planning						
Workload						
Land Use Cases Reviewed	1,380	1,350	1,390	1,410	1,400	1,400
Public Meetings Attended or Conducted	509	569	500	500	500	
OTD Management and Support						
Efficiency						
Support Staff as a Percentage of Total Staff	5.75%	5.60%	..550	6.30%	5.00%	4.65%
Bureau of Transportation Engineering & Development						
Risk Data						
General Liability Claims per 200,000 Hours Worked	8.35	4.43	8.42	8.74		
Worker's Comp Claims per 200,000 Hours Worked	2.78	3.69	3.51	5.56		
Fleet Claims per 100,000 Miles Driven	0.88	2.63	0.76	1.80		
Fleet Claims Cost per 100,000 Miles Driven	\$999	\$7,593	\$180	\$3,070		
General Liability Claims Cost per \$100 Payroll	\$0.02	\$0.03	\$1.35	\$0.01		
Worker's Comp Claims Cost per \$100 Payroll	\$0.09	\$0.08	\$0.20	\$0.17		
Project Management						
Workload						
Arterial Improvements Designed and Contracted (Lane Miles)	23.97	17.00	16.00	16.00	16.00	16.00
Development Services						
Workload						
Applications, Permits and Acquisitions Processed	16,509	15,583	15,583	15,585	15,500	14,000

The Development Services Program facilitates public and private development and regulates use of the street right-of-way.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	41,957,961	43,109,728	42,660,949	43,615,733	43,709,220
External Materials and Services	16,558,905	17,139,779	21,973,918	20,364,506	20,266,033
Internal Materials and Services	13,111,824	13,328,976	15,912,625	15,492,626	15,513,695
Minor Capital Outlay	1,061,743	323,730	269,887	292,406	292,403
Equipment Cash Transfers	109,895	21,282	205,751	0	0
Total Operating Budget	72,800,328	73,923,495	81,023,130	79,765,271	79,781,351
Capital Improvements	44,360,754	40,303,993	29,558,799	37,985,598	38,006,635
TOTAL BUREAU EXPENDITURES	\$ 117,161,082	\$ 114,227,488	\$ 110,581,929	\$ 117,750,869	\$ 117,787,986
Allocated Overhead	3,245,146	3,249,914	2,502,755	2,338,701	2,492,489
Total Cost with Allocated Overhead	120,406,228	117,477,402	113,084,684	120,089,570	120,280,475
RESOURCES					
Discretionary Revenues					
General Transportation Revenues	77,210,271	64,701,674	56,363,696	60,013,107	60,050,224
General Fund	6,721,027	6,456,853	6,426,974	6,424,151	6,424,151
Total Discretionary Revenues	83,931,298	71,158,527	62,790,670	66,437,258	66,474,375
Non-Discretionary Revenues					
Grants & Donations	1,991,481	4,447,465	5,328,160	3,528,720	3,528,720
Contract Revenues	11,240,510	6,676,439	11,603,278	21,672,225	21,672,225
Interagency Revenues	15,226,882	24,834,550	20,902,050	17,754,547	17,754,547
Bureau Program Revenues	4,770,911	7,084,996	9,957,771	8,358,119	8,358,119
Total Non-Discretionary Revenues	33,229,784	43,043,450	47,791,259	51,313,611	51,313,611
TOTAL RESOURCES	117,161,082	\$ 114,201,977	\$ 110,581,929	\$ 117,750,869	\$ 117,787,986
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
DIVISIONS					
Bureau of Maintenance	40,232,009	41,607,755	44,622,945	43,795,004	43,795,004
<i>Positions</i>	<i>398</i>	<i>401</i>	<i>405</i>	<i>399</i>	<i>399</i>
Bureau of Transportation Systems	17,877,908	17,681,730	20,159,417	22,103,094	22,118,094
<i>Positions</i>	<i>134</i>	<i>133</i>	<i>132</i>	<i>129</i>	<i>129</i>
Bureau of Transportation Engineering &	49,595,985	44,427,157	34,521,699	41,282,642	41,282,642
<i>Positions</i>	<i>121</i>	<i>121</i>	<i>120</i>	<i>120</i>	<i>120</i>
Office of Transportation Director	9,455,180	10,510,846	11,277,868	10,570,129	10,592,246
<i>Positions</i>	<i>61</i>	<i>62</i>	<i>45</i>	<i>45</i>	<i>46</i>
TOTAL DIVISIONS	\$ 117,161,082	\$ 114,227,488	\$ 110,581,929	\$ 117,750,869	\$ 117,787,986
<i>Positions</i>	<i>714</i>	<i>717</i>	<i>702</i>	<i>693</i>	<i>694</i>
<i>General Fund Discretionary Positions</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>	<i>12</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
BUREAU OF MAINTENANCE					
Street Preservation	10,750,246	11,949,050	13,253,229	12,646,468	12,646,468
<i>Positions</i>	95	95	94	92	90
Traffic Maintenance	3,252,934	3,564,832	3,882,824	3,992,064	3,992,064
<i>Positions</i>	37	39	43	43	43
Street Cleaning	5,817,877	5,529,358	6,105,679	6,162,923	6,162,923
<i>Positions</i>	52	52	51	51	48
Sidewalk Preservation & Safety	2,246,884	2,236,575	2,358,225	2,517,695	2,517,695
<i>Positions</i>	23	23	23	24	24
Structural Maintenance	1,938,771	2,059,025	2,283,646	2,246,877	2,246,877
<i>Positions</i>	28	28	29	27	27
Emergency Services	698,183	725,980	196,192	232,612	232,612
<i>Positions</i>	2	2	2	2	2
Environmental Maintenance	6,550,444	6,680,262	7,254,722	7,181,805	7,181,805
<i>Positions</i>	83	82	83	88	85
Drainage Maintenance	3,384,337	3,583,735	3,574,085	3,307,695	3,307,695
<i>Positions</i>	28	28	30	30	38
BOM Management and Support	5,592,333	5,278,938	5,714,343	5,506,865	5,506,865
<i>Positions</i>	52	52	50	42	42
TOTAL PROGRAMS	\$ 40,232,009	\$ 41,607,755	\$ 44,622,945	\$ 43,795,004	\$ 43,795,004
<i>Positions</i>	398	401	405	399	399
BUREAU OF TRANSPORTATION SYS-					
Project Support	5,532	9,375	0	0	0
<i>Positions</i>	0	0	0	0	0
Traffic Calming	103	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Electrical Maintenance	0	0	0	3,165,167	3,165,167
<i>Positions</i>	0	0	0	26	26
Parking Enforcement	2,905,311	3,054,912	3,482,317	3,463,159	3,463,159
<i>Positions</i>	54	54	54	53	53
Parking Operations	(27)	(10,368)	0	3,688,631	3,688,631
<i>Positions</i>	0	0	0	8	8
Street Lighting	0	0	0	0	5,336,895
<i>Positions</i>	0	0	0	0	0
Traffic Investigations	1,917,395	1,970,462	1,908,975	1,896,916	1,896,916
<i>Positions</i>	23	22	22	14	14
Traffic Signals	11,121,845	10,645,365	12,570,888	8,064,683	2,742,788
<i>Positions</i>	42	42	42	16	16
Transportation Options	953,447	993,889	984,787	1,008,965	1,008,965
<i>Positions</i>	7	7	6	6	6
BTSM Management and Support	974,302	1,018,095	1,212,450	815,573	815,573
<i>Positions</i>	8	8	8	6	6
TOTAL PROGRAMS	\$ 17,877,908	\$ 17,681,730	\$ 20,159,417	\$ 22,103,094	\$ 22,118,094
<i>Positions</i>	134	133	132	129	129
BUREAU OF TRANSPORTATION ENGI-					
Project Management	33,439,116	27,662,644	20,033,993	29,698,193	29,698,193
<i>Positions</i>	16	17	19	21	21
Engineering Services	11,133,973	12,499,998	9,635,703	7,065,933	7,065,933
<i>Positions</i>	59	59	58	57	57
Development Services	3,038,107	3,427,701	4,145,644	3,958,565	3,958,565
<i>Positions</i>	41	40	40	40	40
BTE&D Management and Support	1,984,789	836,814	706,359	559,951	559,951
<i>Positions</i>	5	5	3	2	2
TOTAL PROGRAMS	\$ 49,595,985	\$ 44,427,157	\$ 34,521,699	\$ 41,282,642	\$ 41,282,642
<i>Positions</i>	121	121	120	120	120
OFFICE OF TRANSPORTATION DIREC-					
Transportation Planning	1,836,688	1,870,106	2,148,984	1,427,605	1,427,605
<i>Positions</i>	16	16	17	14	15
Information Technology	3,965,872	4,848,412	5,149,157	4,705,007	4,705,007
<i>Positions</i>	25	26	12	12	12
Finance	1,379,552	1,365,533	1,205,175	1,508,255	1,508,255

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
<i>Positions</i>	14	13	13	17	17
OTD Management and Support	2,273,068	2,426,795	2,774,552	2,929,262	2,951,379
<i>Positions</i>	6	7	3	2	2
TOTAL PROGRAMS	\$ 9,455,180	\$ 10,510,846	\$ 11,277,868	\$ 10,570,129	\$ 10,592,246
<i>Positions</i>	61	62	45	45	46

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	124,217,082	0	124,217,082	704.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	(601,609)	0	(601,609)	0.0	Adj to match OMF Streetlighting CSL Target
	(372,758)	0	(372,758)	0.0	Adj to Streetcar debt service "project"
	(100,000)	0	(100,000)	0.0	BOM - Other Cuts
	250,000	0	250,000	2.0	BTSM - Streetlighting restore selected services
	(250,000)	0	(250,000)	0.0	BTSM - Streetlighting utilities reduction
	105,506	0	105,506	2.0	BTSM - Signals Program
	(105,506)	0	(105,506)	0.0	BTSM - Signals Program
	(632,339)	0	(632,339)	0.0	OMF Interagency Reduction
	201,036	0	201,036	2.0	BTSM - Transportation Options grant revenue
	220,090	0	220,090	4.0	BOM - Environmental Services IA revenue
Mayor's Proposed Budget Decisions					
	0	(1,070,000)	(1,070,000)	(1.0)	BOM - Street Preservation
	(529,000)	0	(529,000)	0.0	BOM - Street Area Landscaping Maint.
	(392,000)	0	(392,000)	(2.0)	BOM - Livability Services
	(65,000)	0	(65,000)	(1.0)	BOM - Stores Operation
	(334,000)	0	(334,000)	0.0	BOM - Support & Administration
	(264,500)	0	(264,500)	(2.0)	BTSM - Transportation Options (339,500 less
	(56,700)	0	(56,700)	(2.0)	BTSM - Parking Enforcement
	(403,200)	0	(403,200)	(2.0)	BTSM - Traffic Investigations
	(65,000)	0	(65,000)	0.0	BTSM - Traffic Investigations (red light)
	(512,000)	0	(512,000)	(2.0)	BTSM - Traffic Signal Maintenance
	(200,000)	0	(200,000)	0.0	BTSM - Signal Modification
	(40,000)	0	(40,000)	0.0	BTSM - Parking Operations
	(50,000)	0	(50,000)	0.0	BTED - Environmental Assessment
	(30,000)	0	(30,000)	0.0	BTES - Environmental Affairs
	(22,778)	0	(22,778)	0.0	BTED - Permit Operations
	(100,000)	0	(100,000)	0.0	BTED - Permit Engineering CIP
	(186,000)	0	(186,000)	0.0	BTED - Systems Development Charge
	(65,000)	0	(65,000)	0.0	BTED - Project Development
	(25,000)	0	(25,000)	0.0	BTED - Traffic Design Operations
	(347,000)	0	(347,000)	(3.0)	OTD - Transportation Planning
	(30,000)	0	(30,000)	0.0	OTD - Information Technology
	(188,000)	0	(188,000)	(3.0)	OTD - Finance
	(56,914)	0	(56,914)	(1.0)	OTD - Office of the Director PIO
	(55,352)	0	(55,352)	0.0	BTSM - PTE contracts
	(77,366)	0	(77,366)	0.0	BTED - PTE contracts
	(20,000)	0	(20,000)	0.0	OTD - PTE contracts
	(345,823)	0	(345,823)	(2.0)	BTSM - Street Light O&M (GF)
	0	350,000	350,000	0.0	BTSM - Street Light Capital (GF CRC)
	170,000	0	170,000	0.0	Revenue - Area Permits Program Full Cost
	(170,000)	0	(170,000)	0.0	GTR CSL Support
	12,500	0	12,500	0.0	Revenue - Special Events Cost Recovery
	(12,500)	0	(12,500)	0.0	GTR CSL Support
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	15,000	0	15,000	0.0	Restore Inter-agency with OSD
	22,117	0	22,117	0.0	COPPEEA Development Fund
	84,433	0	84,433	1.0	Shift budget to fund Sr. Planner
	(84,433)	0	(84,433)	0.0	Shift budget to fund Sr. Planner
	(5,709,096)	(720,000)	(6,429,096)	(10.0)	Total FY 2002-03 Decision Packages
			\$ 117,787,986	694.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	(676,000)	0	(676,000)	4.0	CBD - Sidewalk Scrubbing

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
	(100,000)	0	(100,000)	1.0	CBD - Street Cleaning
	(545,000)	0	(545,000)	0.0	Leaf Removal
	75,000	0	75,000	0.0	Restore Lloyd District TMA
			\$ (1,246,000)	5.0	Total Decision Packages Not Accepted

Bureau of Maintenance

OVERVIEW

Organizational Description

The Bureau of Maintenance (BOM) is charged with the responsibility of preserving the public investment of over \$5.5 billion in transportation facilities and \$1.5 billion in sewer infrastructure by inspecting, cleaning, maintaining, and repairing all transportation and sewer related infrastructure within the city of Portland. The infrastructure consists of paved streets, sewers, sidewalks, bridges, curbs, street corners, retaining walls, guardrails, stairways, traffic control devices, street lights, and parking spaces. In addition, the bureau performs around-the-clock response to emergencies such as storms, floods, and other incidents that inhibit safe transportation.

The bureau is currently organized into nine programs: Street Preservation, Traffic Maintenance, Street Cleaning, Sidewalk Preservation and Safety, Structural Maintenance, Emergency Services, Environmental Maintenance, Stormwater Maintenance, and BOM Management and Support.

CHANGES FROM PRIOR YEAR

Service Reductions

Bureau of Maintenance cuts total (\$2,490,000). Impacts include:

- ◆ Reduction of local and arterial street maintenance, resulting in an increase in the paving backlog (\$1,070,000)
- ◆ Elimination of street area landscape maintenance (\$529,000)
- ◆ Reduction of livability services such as mowing and spraying, and street beautification (\$392,000)
- ◆ Reduction in other Maintenance services (\$100,000)
- ◆ Reduction in administrative support (\$399,000)

Overview of Programs

STREET PRESERVATION

The City maintains local and arterial streets. The Bureau of Maintenance uses a Pavement Management System (PMS) based on visual inspection and structural testing to identify and prioritize maintenance projects. The PMS helps identify the most cost effective maintenance technique for each street based on its pavement condition. These techniques range from sealing cracks and patching holes to base repair and asphalt overlay.

TRAFFIC MAINTENANCE

The Traffic Maintenance Program supports the maintenance of signalized intersections, partially controlled intersections, legends placed on the street surface, painted lines, crosswalks, traffic control signs, parking control signs, parking meters and street name signs.

STREET CLEANING

The Street Cleaning Program is responsible for mechanically cleaning, on a regular basis, residential streets, arterial streets, the central business district, pedestrian subways, stairways, and trash receptacles. This program also responds to special events such as Clean Sweeps and Rose Festival activities.

SIDEWALK PRESERVATION & SAFETY

The Sidewalk Preservation and Safety Program oversees the maintenance of sidewalks, curbs and corners. The City Charter assigns the responsibility for the maintenance of sidewalks to the owner of the abutting property. Transportation inspects the sidewalks and notifies the property owner of needed repairs. Non-reimbursed activities include inspections, permits issuance, corner maintenance and mall maintenance. The Americans with Disabilities Act (ADA) contains provisions that significantly affect facilities within the public right-of-way. This program's budget continues the ongoing program to upgrade existing corners to ADA standards.

STRUCTURAL MAINTENANCE

The Structural Maintenance Program is responsible for maintaining vehicle and pedestrian structures in the City's right-of-way system. With engineering assistance from the Bureau of Transportation Engineering and Development, this program plans and conducts an annual maintenance program that ensures public safety and convenience and controls deterioration of these structures. Within the city of Portland these structures include major and minor bridges, stairways, retaining walls, the harbor wall along the Willamette River, guardrails, tunnels, fencing, and street furniture.

EMERGENCY SERVICES

The Emergency Preparedness Program provides round the clock response to emergencies, including snow/ice, wind storms, floods, mud slides and other weather conditions; hazardous materials incidents; clean-up following certain police actions; sewer breaks or plugs; and other natural or man-made incidents that inhibit safe transportation or threaten public safety. During emergency operations, the bureau is reorganized and all personnel are available to make up the emergency crews.

ENVIRONMENTAL MAINTENANCE

The Environmental Maintenance Program is responsible for cleaning and inspecting the sewer system, investigating customer problems, and repairing and reconstructing damaged, broken or deteriorated sewers. This program operates in support of the Bureau of Environmental Services, which funds the entire cost of this program through an interagency agreement.

DRAINAGE MAINTENANCE

The Stormwater Maintenance Program operates in conjunction with the Bureau of Environmental Services and is charged with maintaining the surface storm drainage system within the City of Portland. The Clean Water Act of 1972 established the City's responsibility for the quality of the outflow from the City's sewer and drainage systems. In order to comply with the regulations and guidelines set forth by a variety of federal, state and local agencies, a comprehensive program to manage the storm water drainage system and roadside vegetation has been developed and implemented.

BOM MANAGEMENT AND SUPPORT

To maximize the efficiency and effectiveness of the field operations, the Support and Administration Program provides specialized administered direct support services to the other programs. These services include equipment management, materials handling; communication and radio dispatch; public information; facilities maintenance; personnel administration and loss control; finance and accounting; and program management.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	23,403,907	24,068,352	24,785,317	25,456,145	25,468,267
External Materials and Services	7,758,463	8,302,742	10,517,256	9,732,924	9,719,456
Internal Materials and Services	8,208,358	8,278,313	8,945,696	8,046,924	8,032,225
Minor Capital Outlay	59,922	40,065	192,402	167,104	167,101
Equipment Cash Transfers	99,895	5,852	30,000	0	0
Total Operating Budget	39,530,545	40,695,324	44,470,671	43,403,097	43,387,049
Capital Improvements	701,464	912,431	152,274	391,907	407,955
TOTAL BUREAU EXPENDITURES	\$ 40,232,009	\$ 41,607,755	\$ 44,622,945	\$ 43,795,004	\$ 43,795,004
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	40,232,009	41,607,755	44,622,945	43,795,004	43,795,004
RESOURCES					
Transportation Operating Fund	40,232,009	41,607,755	44,622,945	43,795,004	43,795,004
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Street Preservation	10,750,246	11,949,050	13,253,229	12,646,468	12,646,468
<i>Positions</i>	95	95	94	92	90
Traffic Maintenance	3,252,934	3,564,832	3,882,824	3,992,064	3,992,064
<i>Positions</i>	37	39	43	43	43
Street Cleaning	5,817,877	5,529,358	6,105,679	6,162,923	6,162,923
<i>Positions</i>	52	52	51	51	48
Sidewalk Preservation & Safety	2,246,884	2,236,575	2,358,225	2,517,695	2,517,695
<i>Positions</i>	23	23	23	24	24
Structural Maintenance	1,938,771	2,059,025	2,283,646	2,246,877	2,246,877
<i>Positions</i>	28	28	29	27	27
Emergency Services	698,183	725,980	196,192	232,612	232,612
<i>Positions</i>	2	2	2	2	2
Environmental Maintenance	6,550,444	6,680,262	7,254,722	7,181,805	7,181,805
<i>Positions</i>	83	82	83	88	85
Drainage Maintenance	3,384,337	3,583,735	3,574,085	3,307,695	3,307,695
<i>Positions</i>	28	28	30	30	38
BOM Management and Support	5,592,333	5,278,938	5,714,343	5,506,865	5,506,865
<i>Positions</i>	52	52	50	42	42
TOTAL PROGRAMS	\$ 40,232,009	\$ 41,607,755	\$ 44,622,945	\$ 43,795,004	\$ 43,795,004
<i>Positions</i>	398	401	405	399	399

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	12,629,681	13,980,884	16,880,791	17,224,618	17,181,675
512000 Part-Time Employees	402,422	443,104	260,013	314,702	377,145
514000 Overtime	756,584	991,658	659,758	567,049	567,048
515000 Premium Pay	320,600	400,250	277,745	361,774	362,298
517000 Benefits	6,376,874	7,049,982	6,707,010	6,988,002	6,980,101
518000 Paid Absence	2,936,218	3,286,517	0	0	0
519000 Payroll Internal Allocation	0	(2,043,993)	0	0	0
Total Personnel Services	23,422,379	24,108,402	24,785,317	25,456,145	25,468,267
Materials and Services					
External Materials and Services					
521000 Professional Services	124,741	129,971	59,250	56,500	56,500
522000 Utilities	558,591	454,910	479,291	1,132,708	1,087,376
523000 Equipment Rental	0	1,379	0	6,500	6,500
524000 Repair & Maintenance Services	989,413	1,709,761	2,171,742	1,510,950	1,510,950
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	31,748	76,824	30,313	0	0
531000 Office Supplies	24,931	38,369	12,683	42,215	42,215
532000 Operating Supplies	2,320,556	3,443,050	3,118,578	2,358,926	2,373,833
533000 Repair & Maintenance Supplies	3,645,409	2,514,915	4,460,109	4,330,672	4,333,452
534000 Minor Equipment & Tools	262,692	391,434	263,449	526,435	540,612
535000 Clothing & Uniforms	53,673	151,301	35,400	125,145	125,145
539000 Other Commodities External	(6,036)	(73,199)	(184,880)	(243,018)	(243,018)
541000 Education	91,998	85,268	64,345	77,620	77,620
542000 Local Travel	14,599	15,844	2,060	15,930	15,930
543000 Out-of-Town Travel	22,120	19,147	11,450	6,500	6,500
544000 Space Rental	121,792	158,468	145,740	193,796	193,796
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	30,104	49,853	0	0	0
Total External Materials and Services	8,286,331	9,167,295	10,669,530	10,140,879	10,127,411
Internal Materials and Services					
551000 Fleet Services	5,491,923	5,753,664	6,028,358	5,838,493	5,838,493
552000 Printing & Distribution	63,153	87,313	99,020	85,405	85,405
553000 Facilities Services	204,330	124,883	135,345	153,792	153,792
554000 Communications Services	453,847	537,759	480,819	487,025	487,025
555000 Data Processing Services	0	0	0	0	0
556000 Insurance	1,164,653	1,224,931	1,223,194	1,043,345	1,044,694
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	826,047	557,591	963,610	422,816	422,816
Total Internal Materials and Services	8,203,953	8,286,141	8,930,346	8,030,876	8,032,225
Total Materials and Services	16,490,284	17,453,436	19,599,876	18,171,755	18,159,636
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	143,887	0	0	0	0
564000 Capital Equipment	59,922	40,065	192,402	167,104	167,101
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	203,809	40,065	192,402	167,104	167,101
573000 Equipment Cash Transfers	99,895	5,852	30,000	0	0
576000 Minor Equipment Transfers	15,642	0	15,350	0	0
TOTAL DIVISION EXPENSES	\$ 40,232,009	\$ 41,607,755	\$ 44,622,945	\$ 43,795,004	\$ 43,795,004

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	2	1	2	73,295	0	0	0	0
515	Accountant II	1	2	2	94,890	0	0	0	0
530	Accounting Supervisor I	1	1	1	59,613	0	0	0	0
510	Accounting Technician	1	1	0	0	0	0	0	0
819	Administrative Assistant	5	5	4	245,149	4	258,184	4	258,184
926	Administrative Services Manager	2	2	1	73,237	1	75,648	1	75,648
815	Administrative Specialist	0	0	1	38,085	2	83,646	0	0
922	Administrative Supervisor II	1	1	1	54,440	1	60,830	1	60,830
1225	Asphalt Raker	11	11	11	404,514	11	417,791	11	417,791
1311	Automotive Equipment Operator I	54	54	53	2,052,585	55	2,192,689	55	2,192,689
1313	Automotive Equipment Operator II	15	15	15	611,205	15	631,410	15	631,410
1312	Automotive Equipment Operator II	0	7	7	285,229	7	294,658	7	294,658
1420	Carpenter	7	7	7	295,274	7	307,479	7	307,479
1419	Carpenter, Apprentice	0	0	1	41,454	0	0	0	0
114	Clerical Specialist	2	0	0	0	0	0	0	0
1410	Concrete Finisher	10	10	10	436,380	11	488,781	11	488,781
1316	Construction Equip Operator II	16	0	0	0	0	0	0	0
1315	Construction Equipment Operator	1	17	18	772,976	17	760,325	17	760,325
3153	Engineering Associate	1	0	0	0	0	0	0	0
1229	Environmental Systems Maint Tech	8	8	8	342,288	7	309,421	7	309,421
827	Financial Analyst	1	1	1	49,358	0	0	0	0
1524	General Mechanic	3	3	3	132,225	3	136,554	3	136,554
812	Intergovernmental Program Coord	0	0	1	83,466	1	85,886	1	85,886
314	Lead Service Dispatcher	1	0	0	0	0	0	0	0
1960	Maintenance Director	1	1	1	94,252	1	97,718	1	97,718
1200	Maintenance Worker	0	1	0	0	0	0	0	0
1208	Maintenance Worker	1	0	0	0	0	0	0	0
102	Office Support Specialist II	0	4	4	141,881	3	101,593	3	101,593
104	Office Support Specialist III	0	2	2	80,996	2	83,646	2	83,646
1443	Painter	1	1	1	43,638	1	45,080	1	45,080
1250	Parking Meter Technician	4	4	6	248,604	6	255,265	6	255,265
1251	Parking Meter Technician, Lead	1	1	1	43,514	1	44,955	1	44,955
1608	Paving Crew Leader	8	0	0	0	0	0	0	0
3169	Principal Engineer	1	1	1	85,384	1	88,197	1	88,197
966	Program Coordinator	2	2	2	112,279	2	118,222	2	118,222
968	Program Manager I	0	1	1	62,816	1	64,895	1	64,895
964	Program Specialist	0	0	1	46,155	0	0	0	0
3150	Public Works Inspector	1	1	1	50,752	1	52,430	1	52,430
1952	Public Works Manager	4	3	4	266,722	4	278,247	4	278,247
1950	Public Works Supervisor	20	21	20	1,129,756	21	1,209,135	21	1,209,135
222	Secretarial Assistant	1	0	0	0	0	0	0	0
108	Secretarial Assistant	0	1	0	0	0	0	0	0
221	Secretarial Clerk II	4	0	0	0	0	0	0	0
816	Senior Administrative Specialist	0	0	1	41,662	1	43,034	1	43,034
3166	Senior Engineer	0	2	2	135,596	2	148,707	2	148,707
3163	Senior Engineering Associate	2	1	1	61,381	1	63,413	1	63,413
1956	Senior Public Works Manager	4	4	4	314,683	4	334,749	4	334,749
848	Senior Risk Specialist	1	1	0	0	0	0	0	0
414	Senior Stores System Manager	1	1	1	62,816	1	60,028	1	60,028
315	Service Dispatcher	3	0	0	0	0	0	0	0
310	Service Dispatcher	0	3	3	110,886	3	114,570	3	114,570
311	Service Dispatcher, Lead	0	1	1	40,498	1	41,823	1	41,823
1230	Sewer Construction Crew Leader	8	8	8	358,592	10	454,600	10	454,600
1325	Sewer Vacuum Operator	6	0	0	0	0	0	0	0
2250	Sidewalk Inspector	4	4	4	173,388	4	187,377	4	187,377
1224	Sign Maker	1	1	1	43,638	1	45,080	1	45,080
410	Storekeeper	5	0	0	0	0	0	0	0
406	Storekeeper/Acquisition Spec II	0	5	5	205,920	4	170,132	4	170,132
408	Storekeeper/Acquisition Spec III	0	2	2	94,556	2	97,676	2	97,676
411	Stores Supervisor I	2	0	0	0	0	0	0	0
1226	Street Maintenance Crew Leader	0	8	8	352,935	8	349,240	8	349,240
3107	Technician I	2	3	3	111,697	3	122,586	5	206,232
3108	Technician II	1	1	1	50,482	1	52,137	1	52,137
3109	Technician III	1	1	1	61,381	1	63,413	1	63,413
1227	Traffic Crew Leader	0	9	9	362,065	9	392,297	9	392,297
1440	Traffic Sign Crew Leader	9	0	0	0	0	0	0	0
650	Training & Development Analyst	1	0	0	0	0	0	0	0
1218	Utility Worker	127	0	0	0	0	0	0	0
1210	Utility Worker I	26	26	27	925,844	25	890,450	25	890,450

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
1211	Utility Worker II	0	128	129	4,738,095	130	4,922,696	130	4,922,696
1513	Welder	2	0	0	0	0	0	0	0
1510	Welder	0	2	2	82,264	2	84,982	2	84,982
TOTAL FULL-TIME POSITIONS		398	401	405	\$ 16,880,791	399	\$ 17,181,675	399	\$ 17,181,675

Bureau of Transportation Systems Management

OVERVIEW

Organizational Description

The Bureau of Transportation Systems Management (BTSM) is the City agency responsible for operating and managing the City's transportation, parking and street lighting systems. This bureau is charged with the responsibility for: maintaining and improving the safety of these systems for the traveling public; reducing the number of traffic accidents; optimizing the efficiency of the transportation system; protecting the livability of the City's residential areas while accommodating economic development; and maintaining and improving on-street paid parking to facilitate economic growth, and to provide a source of discretionary revenue for Office of Transportation.

BTSM is currently organized into six programs: Traffic Investigations, Signals and Street Lighting, Transportation Options, Parking Operations, Parking Enforcement, and BTSM Management and Support.

CHANGES FROM PRIOR YEAR

Service Reductions

Bureau of Transportation Systems Management cuts total (\$1,596,752). Impacts include;

- ◆ Re-focusing the Transportation Options Program to focus on public education efforts and removing barriers to alternative mode access in a few geographic areas (\$264,500).
- ◆ Decreased service (increased turn-around time) for requests for data collection, public inquiries regarding traffic investigations. Reduction in support or increase in cost recovery for special events. Eliminates two red light cameras. (\$468,200).
- ◆ Reduction in upgrades, maintenance, and modernization of traffic signals (\$712,000).
- ◆ Reduction in parking signs and pavement markings placed in the right-of-way to guide the public (\$40,000).
- ◆ Re-organizes and reduces management in Parking Enforcement (\$56,700).
- ◆ Reduction in professional and technical services (\$55,352).

Revenue Options

PDOT has identified two revenue options for making certain program services self-sufficient:

- ◆ Area Parking Permit Program \$170,000
- ◆ Special Events \$50,000

General Fund Support Reductions

The Adopted Budget includes a reduction in General Fund support for:

- ◆ Street Lighting Operations and Maintenance (\$345,823).

Overview of Programs

ELECTRICAL MAINTENANCE

The Electrical Maintenance Program provides maintenance for the City's traffic signals and street lights. Field maintenance activities include inspection and periodic maintenance, responding to street light outage and traffic signal trouble calls, and upgrading traffic signals in response to safety and congestion concerns.

PARKING ENFORCEMENT

The Parking Enforcement Program is charged with maintaining a safe and continuous traffic flow and to help ensure the availability of short-term, on-street parking spaces to support retail and commercial business throughout the city of Portland. This program ensures vehicle and pedestrian safety, manages parking space turnover and enforces neighborhood parking. Key services include clearing obstructions from intersections, crosswalks and sidewalks, removal of dangerous or abandoned vehicles, and issuing citations for parking violations.

PARKING OPERATIONS

The Parking Operations program is responsible for the management of the street parking system. Activities include installing pay to park systems in meter districts and coordinating collection and control revenues. Activities also include installing signs and other parking control systems throughout the city to promote safe and efficient parking by the public. This program also manages special parking permit areas designed to meet Office of Transportation policy objectives.

STREET LIGHTING

The Street Lighting program provides overall management for the City's street lights. This program reviews and approves the installation of street lights in new and redeveloped areas and pays to power and maintain existing street lights. This program monitors external power and maintenance costs and utility rate developments.

TRAFFIC INVESTIGATIONS

The Traffic Investigations program consists of the District Traffic Operations, Data Collection and Parking Control. This program is the primary intake point from the public regarding traffic concerns. Activities include providing customer service for traffic safety, speeding and excessive traffic volumes; providing traffic control via signs and pavement marking systems; monitoring traffic safety and capacity improvements; and directing the installation of parking meters, signs and special parking areas.

TRAFFIC SIGNALS

The Traffic Signals program promotes pedestrian, bicycle and motorist safety and mobility through the efficient operation, monitoring and improvements to the City's traffic signals. It provides for monitoring, reviewing and ordering of modifications to the signal system. It also includes the planning, design and construction review and monitoring of capital improvements. This program participates in regional traffic control efforts directing drivers to alternative routes to alleviate congestion and improve traffic safety.

TRANSPORTATION OPTIONS

The Transportation Options program is responsible for helping to create a balanced transportation system. Activities include developing and encouraging alternatives to single-occupancy vehicles, such as carpools, work hour changes, transit use, walking and cycling. Outreach and educational efforts create curriculums to educate the public regarding modal choices and safety.

BTSM MANAGEMENT AND SUPPORT

The BTSM Management and Support program provides key services such as monitoring and addressing bureau operational needs including budget and personnel. This program also provides central secretarial and public reception support for the Office of Transportation offices in the Portland Building.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	7,990,195	8,566,963	8,809,989	8,842,657	8,844,578
External Materials and Services	5,867,277	5,984,831	6,240,641	6,749,509	6,748,937
Internal Materials and Services	1,372,921	1,231,944	1,123,544	1,405,457	1,419,108
Minor Capital Outlay	0	4,355	0	0	0
Equipment Cash Transfers	0	15,430	153,126	0	0
Total Operating Budget	15,230,393	15,803,523	16,327,300	16,997,623	17,012,623
Capital Improvements	2,647,515	1,878,207	3,832,117	5,105,471	5,105,471
TOTAL BUREAU EXPENDITURES	\$ 17,877,908	\$ 17,681,730	\$ 20,159,417	\$ 22,103,094	\$ 22,118,094
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	17,877,908	17,681,730	20,159,417	22,103,094	22,118,094
RESOURCES					
Transportation Operating Fund	17,877,908	17,681,730	20,159,417	22,103,094	22,118,094
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Project Support	5,532	9,375	0	0	0
<i>Positions</i>	0	0	0	0	0
Traffic Calming	103	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Electrical Maintenance	0	0	0	3,165,167	3,165,167
<i>Positions</i>	0	0	0	26	26
Parking Enforcement	2,905,311	3,054,912	3,482,317	3,463,159	3,463,159
<i>Positions</i>	54	54	54	53	53
Parking Operations	(27)	(10,368)	0	3,688,631	3,688,631
<i>Positions</i>	0	0	0	8	8
Street Lighting	0	0	0	0	5,336,895
<i>Positions</i>	0	0	0	0	0
Traffic Investigations	1,917,395	1,970,462	1,908,975	1,896,916	1,896,916
<i>Positions</i>	23	22	22	14	14
Traffic Signals	11,121,845	10,645,365	12,570,888	8,064,683	2,742,788
<i>Positions</i>	42	42	42	16	16
Transportation Options	953,447	993,889	984,787	1,008,965	1,008,965
<i>Positions</i>	7	7	6	6	6
BTSM Management and Support	974,302	1,018,095	1,212,450	815,573	815,573
<i>Positions</i>	8	8	8	6	6
TOTAL PROGRAMS	\$ 17,877,908	\$ 17,681,730	\$ 20,159,417	\$ 22,103,094	\$ 22,118,094
<i>Positions</i>	134	133	132	129	129

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	4,871,024	4,096,015	6,340,965	6,475,041	6,475,041
512000 Part-Time Employees	175,582	213,429	397,649	545,763	607,353
514000 Overtime	154,545	96,592	315,419	224,202	222,787
515000 Premium Pay	80,824	20,137	58,730	69,544	69,544
517000 Benefits	2,170,923	1,770,751	2,382,579	2,487,837	2,498,324
518000 Paid Absence	990,351	792,424	0	0	0
519000 Payroll Internal Allocation	0	2,043,991	0	0	0
Total Personnel Services	8,443,249	9,033,339	9,495,342	9,802,387	9,873,049
Materials and Services					
External Materials and Services					
521000 Professional Services	295,981	581,518	547,565	349,999	283,128
522000 Utilities	3,763,383	4,011,760	4,262,253	5,045,119	5,045,119
523000 Equipment Rental	0	0	13,223	356,490	356,490
524000 Repair & Maintenance Services	146,646	202,815	155,816	258,660	256,739
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	240,000	0	350,000	83,928	83,928
529000 Miscellaneous Services	127,286	294,573	245,238	327,026	327,026
531000 Office Supplies	4,476	11,465	45,693	54,524	54,524
532000 Operating Supplies	604,065	437,979	673,159	443,799	443,799
533000 Repair & Maintenance Supplies	693,968	584,671	1,204,055	420,952	420,952
534000 Minor Equipment & Tools	216,279	139,111	418,923	55,840	57,189
535000 Clothing & Uniforms	25,957	28,379	38,930	40,177	40,177
539000 Other Commodities External	6,675	(1,451)	0	0	0
541000 Education	40,677	31,977	71,145	52,150	52,150
542000 Local Travel	1,276	2,092	5,126	6,125	6,125
543000 Out-of-Town Travel	21,795	22,608	21,682	23,680	23,680
544000 Space Rental	110	435	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	8,858	9,981	13,000	13,000	13,000
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	22,030	17,213	542,151	95,860	95,860
Total External Materials and Services	6,219,462	6,375,126	8,607,959	7,627,329	7,559,886
Internal Materials and Services					
551000 Fleet Services	566,507	619,559	623,752	609,529	609,529
552000 Printing & Distribution	76,994	94,626	79,850	61,575	61,575
553000 Facilities Services	177,587	6,253	5,040	0	0
554000 Communications Services	162,122	222,984	0	0	0
555000 Data Processing Services	0	0	0	0	0
556000 Insurance	211,580	182,984	216,069	246,685	245,336
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	248,405	168,074	198,833	487,668	502,668
Total Internal Materials and Services	1,443,195	1,294,480	1,123,544	1,405,457	1,419,108
Total Materials and Services	7,662,657	7,669,606	9,731,503	9,032,786	8,978,994
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	1,761,019	951,597	196,874	563,921	562,051
564000 Capital Equipment	0	11,758	582,572	2,704,000	2,704,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	1,761,019	963,355	779,446	3,267,921	3,266,051
573000 Equipment Cash Transfers	0	15,430	153,126	0	0
576000 Minor Equipment Transfers	10,983	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 17,877,908	\$ 17,681,730	\$ 20,159,417	\$ 22,103,094	\$ 22,118,094

Bureau of Transportation Systems Management AU 159

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02		FY 2002-03		FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	1	1	1	40,945	1	44,069	1	44,069
962	Assistant Program Specialist	1	0	0	0	0	0	0	0
1311	Automotive Equipment Operator I	3	3	3	115,878	3	119,706	3	119,706
114	Clerical Specialist	1	1	0	0	0	0	0	0
2203	Code Spec II Parking Enforcement	0	0	41	1,485,236	41	1,544,491	41	1,544,491
2201	Code Specialist I	0	0	3	93,842	3	106,937	3	106,937
2204	Code Specialist III	0	0	1	45,344	1	46,834	1	46,834
3255	Communications Engineer	1	1	0	0	0	0	0	0
1455	Electrical Supervisor	1	1	1	62,816	1	64,895	1	64,895
1453	Electrician	18	18	18	981,516	18	1,013,974	18	1,013,974
3251	Electronic Tech II Communication	2	0	0	0	0	0	0	0
3252	Electronic Tech II Traffic Signl	0	2	2	98,301	2	101,539	2	101,539
3164	Engineer	3	4	4	270,568	3	209,592	3	209,592
3153	Engineering Associate	4	4	4	195,333	4	212,839	4	212,839
2211	Field Representative II	1	1	0	0	0	0	0	0
827	Financial Analyst	1	1	0	0	0	0	0	0
2205	Junior Field Representative	4	4	1	32,531	1	33,596	1	33,596
2118	Lighting and Signal Inspector	2	2	2	119,142	2	123,066	2	123,066
116	Office Manager	1	1	0	0	0	0	0	0
102	Office Support Specialist II	0	0	7	234,747	4	133,533	4	133,533
104	Office Support Specialist III	0	0	1	37,685	4	149,366	4	149,366
2240	Parking Enforcement Deputy	39	41	0	0	0	0	0	0
3169	Principal Engineer	2	2	2	170,768	2	176,394	2	176,394
966	Program Coordinator	0	0	0	0	1	61,575	1	61,575
970	Program Manager II	2	2	2	119,567	3	201,864	3	201,864
971	Program Manager III	0	0	1	76,374	1	79,595	1	79,595
972	Program Manager IV	0	1	2	168,232	2	175,916	2	175,916
964	Program Specialist	7	5	5	277,815	2	111,679	2	111,679
1952	Public Works Manager	1	1	0	0	0	0	0	0
3359	Public Works Project Manager	2	2	2	134,994	2	146,228	2	146,228
1950	Public Works Supervisor	0	0	1	59,613	1	61,575	1	61,575
221	Secretarial Clerk II	7	7	0	0	0	0	0	0
930	Senior Bureau Administrative Mgr	1	1	0	0	0	0	0	0
3256	Senior Communications Engineer	0	0	1	71,661	1	75,648	1	75,648
3163	Senior Engineering Associate	8	8	7	420,164	8	499,702	8	499,702
3231	Senior Planner	2	2	2	114,937	1	63,413	1	63,413
3107	Technician I	6	4	4	148,943	4	173,565	4	173,565
3108	Technician II	7	6	6	296,060	5	255,442	5	255,442
3109	Technician III	3	4	5	299,807	5	314,328	5	314,328
912	Traffic Management Director	1	1	1	94,598	1	97,718	1	97,718
1218	Utility Worker	2	0	0	0	0	0	0	0
1211	Utility Worker II	0	2	2	73,548	2	75,962	2	75,962
TOTAL FULL-TIME POSITIONS		134	133	132	\$ 6,340,965	129	\$ 6,475,041	129	\$ 6,475,041

Bureau of Transportation Engineering & Development

OVERVIEW

Organizational Description

The Bureau of Transportation Engineering and Development (BTED) is the capital investment and development service arm of the Portland Office of Transportation. The bureau's work is distributed among four programs: Project Management, Engineering Services, Development Services, and BTED Management and Support.

CHANGES FROM PRIOR YEAR

Service Reductions

Bureau of Transportation Engineering and Development cuts total (\$556,144).

- ◆ Increased cost recovery (particularly on CIP projects) and internal efficiencies. Reduction in development partnering program (\$478,778)
- ◆ Reduction in professional and technical services (\$77,366)

Overview of Programs

PROJECT MANAGEMENT

The Project Management program develops and manages a variety of transportation projects that are multi-modal and responsive to the requirements of land use and urban design objectives in the community. Project managers have the overall responsibility to guide a project through design and construction while managing scope, cost, and customer expectations. The projects are organized around the following key project types:

2040 Town Centers and Main Streets

Project managers develop and construct projects in the high-priority areas of the Region 2040 Growth Concept. These areas require the highest level of urban design and integration with adjacent development. Expertise in urban design and public involvement will be a requirement for project managers working in these areas.

Neighborhoods

Project managers lead local street and neighborhood projects including the construction of new streets through local improvement districts, traffic calming, and bike and pedestrian projects which remodel streets to meet local resident and business needs.

Freight Access

This group manages industrial access and commerce related projects.

Special Area Projects

This group manages projects such as the Streetcar, River District, light rail and North Macadam District.

A common goal of each of the teams is providing early project definition and cost estimating. This allows for better planning and budgeting within PDOT, as well as other agencies proposing transportation improvements such as the Portland Development Commission or the Planning Bureau through Community and Special District Plans.

ENGINEERING SERVICES

The Engineering Services program provides survey, design, inspection, and construction management and technical support for a variety of the Office of Transportation's capital improvement projects. The program also ensures safety and serviceability of the City's bridges. This program is composed of five sections: Survey, Bridges and Structures, Construction Inspection, Civil Design and Traffic Design.

DEVELOPMENT SERVICES

The Development Services program facilitates public and private development of job opportunities, which leads to jobs creation, housing construction, and enhanced neighborhood livability through oversight of private development activities. These outcomes in turn affect the transportation system, expansion and management of the pedestrian system, and regulation of private use of the street right-of-way. This program consists of four sections: Street Systems Management, Development Review, Right-of-Way Acquisition, and Permit Engineering.

BTE&D MANAGEMENT AND SUPPORT

The BTED Management and Support program provides overall management and direction for the bureau.

Bureau of Transportation Engineering & Development AU 159 SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	5,429,030	5,279,944	5,054,518	5,108,817	5,103,828
External Materials and Services	879,587	1,129,024	3,357,862	3,084,939	3,084,939
Internal Materials and Services	1,708,575	979,189	857,219	778,955	778,955
Minor Capital Outlay	852,780	36,232	77,485	25,302	25,302
Equipment Cash Transfers	0	0	22,625	0	0
Total Operating Budget	8,869,972	7,424,389	9,369,709	8,998,013	8,993,024
Capital Improvements	40,726,013	37,002,768	25,151,990	32,284,629	32,289,618
TOTAL BUREAU EXPENDITURES	\$ 49,595,985	\$ 44,427,157	\$ 34,521,699	\$ 41,282,642	\$ 41,282,642
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	49,595,985	44,427,157	34,521,699	41,282,642	41,282,642
RESOURCES					
Transportation Operating Fund	49,595,985	44,427,157	34,521,699	41,282,642	41,282,642
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Project Management	33,439,116	27,662,644	20,033,993	29,698,193	29,698,193
<i>Positions</i>	<i>16</i>	<i>17</i>	<i>19</i>	<i>21</i>	<i>21</i>
Engineering Services	11,133,973	12,499,998	9,635,703	7,065,933	7,065,933
<i>Positions</i>	<i>59</i>	<i>59</i>	<i>58</i>	<i>57</i>	<i>57</i>
Development Services	3,038,107	3,427,701	4,145,644	3,958,565	3,958,565
<i>Positions</i>	<i>41</i>	<i>40</i>	<i>40</i>	<i>40</i>	<i>40</i>
BTE&D Management and Support	1,984,789	836,814	706,359	559,951	559,951
<i>Positions</i>	<i>5</i>	<i>5</i>	<i>3</i>	<i>2</i>	<i>2</i>
TOTAL PROGRAMS	\$ 49,595,985	\$ 44,427,157	\$ 34,521,699	\$ 41,282,642	\$ 41,282,642
<i>Positions</i>	<i>121</i>	<i>121</i>	<i>120</i>	<i>120</i>	<i>120</i>

Bureau of Transportation Engineering & Development AU 159

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	5,069,194	5,127,666	6,663,351	6,913,469	6,913,469
512000 Part-Time Employees	312,908	229,724	1,156,507	1,639,074	1,639,074
514000 Overtime	158,979	266,790	14,012	18,669	18,669
515000 Premium Pay	13,663	20,106	15,641	14,179	14,179
517000 Benefits	2,166,063	2,181,970	2,456,366	2,556,239	2,556,239
518000 Paid Absence	959,616	1,008,077	0	0	0
Total Personnel Services	8,680,423	8,834,333	10,305,877	11,141,630	11,141,630
Materials and Services					
External Materials and Services					
521000 Professional Services	5,330,249	4,130,701	4,758,044	4,777,784	4,777,784
522000 Utilities	2,143	5,984	85,000	86,255	86,255
523000 Equipment Rental	0	1,500	19,900	20,521	20,521
524000 Repair & Maintenance Services	24,362	11,324	83,771	44,120	44,120
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	2,283,934	4,432	1,519,711	4,553,523	4,553,523
529000 Miscellaneous Services	102,638	313,815	235,371	111,280	111,280
531000 Office Supplies	3,046	4,363	42,484	28,278	28,278
532000 Operating Supplies	142,365	125,578	171,895	163,959	163,959
533000 Repair & Maintenance Supplies	8,778	3,472	6,600	11,400	11,400
534000 Minor Equipment & Tools	130,996	90,826	55,671	45,466	45,466
535000 Clothing & Uniforms	3,416	2,686	9,770	10,545	10,545
539000 Other Commodities External	30,476	4,616	9,650	3,000	3,000
541000 Education	45,185	34,279	70,255	66,006	66,006
542000 Local Travel	2,926	2,080	2,500	2,000	2,000
543000 Out-of-Town Travel	32,409	13,746	22,385	23,900	23,900
544000 Space Rental	35,000	11,053	71,818	70,600	70,600
545000 Interest	0	0	0	0	0
546000 Refunds	80,670	22,730	10,700	14,700	14,700
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	130,541	571,058	220,720	110,199	110,199
Total External Materials and Services	8,389,134	5,354,243	7,396,245	10,143,536	10,143,536
Internal Materials and Services					
551000 Fleet Services	139,077	161,261	165,123	147,720	147,720
552000 Printing & Distribution	198,140	169,002	157,435	157,413	157,413
553000 Facilities Services	698,731	7,639	0	0	0
554000 Communications Services	149,878	177,040	79,698	66,620	66,620
555000 Data Processing Services	0	0	0	0	0
556000 Insurance	146,461	245,313	245,296	202,350	202,350
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	1,966,965	1,241,475	1,070,210	1,079,622	1,079,622
Total Internal Materials and Services	3,299,252	2,001,730	1,717,762	1,653,725	1,653,725
Total Materials and Services	11,688,386	7,355,973	9,114,007	11,797,261	11,797,261
Capital Outlay					
561000 Land	145,475	2,125,718	217,481	290,417	290,417
562000 Buildings	0	0	0	0	0
563000 Improvements	29,081,701	26,051,745	14,784,224	18,028,032	18,028,032
564000 Capital Equipment	0	0	77,485	25,302	25,302
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	29,227,176	28,177,463	15,079,190	18,343,751	18,343,751
573000 Equipment Cash Transfers	0	18,777	22,625	0	0
576000 Minor Equipment Transfers	0	40,611	0	0	0
TOTAL DIVISION EXPENSES	\$ 49,595,985	\$ 44,427,157	\$ 34,521,699	\$ 41,282,642	\$ 41,282,642

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02		FY 2002-03		FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
926	Administrative Services Manager	0	1	0	0	0	0	0	0
962	Assistant Program Specialist	1	1	0	0	0	0	0	0
3228	Associate Planner	1	1	1	40,856	1	49,632	1	49,632
3171	Chief Engineer	1	1	1	85,384	1	88,197	1	88,197
3173	City Engineer	1	1	1	94,598	1	97,718	1	97,718
2122	Electrical Inspector	1	0	0	0	0	0	0	0
345	Electronic Pre-Press Operator	1	1	1	40,498	0	0	0	0
3164	Engineer	2	3	3	202,926	3	209,592	3	209,592
3153	Engineering Associate	4	4	4	208,895	4	214,988	4	214,988
3165	Engineering Surveying Manager	1	1	1	73,237	1	75,648	1	75,648
2032	Environmental Resources Manager	1	1	1	67,205	1	67,434	1	67,434
827	Financial Analyst	1	0	1	50,104	0	0	0	0
104	Office Support Specialist III	0	4	3	123,949	4	174,276	4	174,276
3169	Principal Engineer	1	2	1	85,384	1	88,197	1	88,197
966	Program Coordinator	2	1	1	41,662	1	43,034	1	43,034
968	Program Manager I	0	0	0	0	1	51,624	1	51,624
970	Program Manager II	2	2	3	183,873	3	192,994	3	192,994
972	Program Manager IV	1	1	1	85,384	1	88,197	1	88,197
3152	Public Works Const/Inspect Supvr	1	1	2	138,900	2	143,884	2	143,884
3150	Public Works Inspector	7	7	7	355,264	7	367,010	7	367,010
3151	Public Works Inspector, Senior	7	7	6	335,194	6	350,001	6	350,001
3359	Public Works Project Manager	9	9	9	596,538	9	647,322	9	647,322
3217	Right-of-Way Agent	1	1	1	63,052	1	56,383	1	56,383
3219	Right-of-Way Services Manager	1	1	1	65,270	1	65,270	1	65,270
221	Secretarial Clerk II	4	0	0	0	0	0	0	0
3166	Senior Engineer	11	6	8	578,964	8	601,670	8	601,670
3163	Senior Engineering Associate	13	12	12	737,756	12	765,578	12	765,578
3167	Supervising Engineer	0	4	3	212,448	3	225,537	3	225,537
3120	Surveying Aide I	2	2	2	98,738	2	99,145	2	99,145
3121	Surveying Aide II	9	9	9	325,957	9	334,090	9	334,090
3124	Surveying Supervisor	1	1	1	63,401	1	68,326	1	68,326
3122	Surveyor I	5	5	5	236,788	5	243,931	5	243,931
3123	Surveyor II	1	2	2	99,632	2	102,896	2	102,896
3107	Technician I	7	7	7	276,835	7	275,085	7	275,085
3108	Technician II	14	14	14	651,909	14	672,415	14	672,415
3109	Technician III	7	8	8	442,750	8	453,395	8	453,395
TOTAL FULL-TIME POSITIONS		121	121	120	\$ 6,663,351	120	\$ 6,913,469	120	\$ 6,913,469

Office of Transportation Director

OVERVIEW

The Office of the Director (OTD) is responsible for overall administrative, financial and planning direction for the Portland Office of Transportation. The Director's Office recommends and ensures the implementation of transportation policies approved by City Council; coordinates program development opportunities as requested by the Commissioner-in-Charge; represents the Portland Office of Transportation to both public and private sector agencies; and provides administrative guidance and direction for the Office of Transportation. The bureau is currently organized into four programs: Transportation Planning, Information Technology, Finance, and OTD Management and Support.

CHANGES FROM PRIOR YEAR

Service Reductions

Office of the Director cuts total (\$641,914). Impacts include:

- ◆ Reducing and reorganizing Transportation Planning staff and projects (\$347,000).
- ◆ Reducing and reorganizing Finance workload (\$188,000).
- ◆ Deferring IT server replacement (\$30,000).
- ◆ Transferring the Communications Director position to Planning and paying for a part-time Public Information Officer services (\$56,914).
- ◆ Reduction of professional and technical contracts (\$20,000).

Overview of Programs

TRANSPORTATION PLANNING

The current objectives for the Planning program emphasize work on significant regional transportation issues, especially the Regional Transportation System Plan. These objectives will support the City's goals for housing and employment growth in specific districts of the city. The Planning program provides transportation studies and plans for development areas. These efforts provide the framework for City transportation improvement. The Planning program consists of three areas: Policy Planning, Project Planning, and Transit (including Regional Rail).

INFORMATION TECHNOLOGY

The Information Management program is responsible for ensuring the most effective use of available information technology tools and resources. The division focuses on infrastructure management system implementation and support; geographic information systems services and data; coordination of service from the Bureau of Information Technology; and development and stewardship of Transportation's data resources.

FINANCE

The Finance program provides financial services for the Portland Office of Transportation. Services include coordination of the City's involvement in the regional transportation financing process; analysis and response for urban issues and State and federal issues, and overall management of the office's capital improvement program. This program also performs financial planning and revenue forecasting; budget development and coordination; grant and cost accounting; and processing and accounts payable and receivables.

During FY 2002, all finance and accounting functions in the Office of Transportation were consolidated into the Finance Division, and all Office of Transportation payroll services were consolidated into the Bureau of Maintenance. This budget reflects those changes.

OTD MANAGEMENT AND SUPPORT

This program provides overall administrative guidance and direction for the entire Office of Transportation. Services include coordination of program development opportunities; development and implementation of transportation policies; and participation in regional planning for transportation projects and advocacy for City of Portland interests. This program coordinates personnel administration, loss control, training, and public information efforts through the media and other outreach methods.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	5,134,716	5,194,469	4,011,125	4,208,114	4,292,547
External Materials and Services	2,053,578	1,723,182	1,858,159	797,134	712,701
Internal Materials and Services	1,821,970	2,839,530	4,986,166	5,261,290	5,283,407
Minor Capital Outlay	149,041	243,078	0	100,000	100,000
Equipment Cash Transfers	10,000	0	0	0	0
Total Operating Budget	9,169,305	10,000,259	10,855,450	10,366,538	10,388,655
Capital Improvements	285,762	510,587	422,418	203,591	203,591
TOTAL BUREAU EXPENDITURES	\$ 9,455,067	\$ 10,510,846	\$ 11,277,868	\$ 10,570,129	\$ 10,592,246
Allocated Overhead	3,245,146	3,249,914	2,502,755	2,338,701	2,492,489
Total Cost with Allocated Overhead	12,700,213	13,760,760	13,780,623	12,908,830	13,084,735
RESOURCES					
Transportation Operating Fund	9,455,067	10,510,846	11,277,868	10,570,129	10,592,246
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Transportation Planning	1,836,688	1,870,106	2,148,984	1,427,605	1,427,605
<i>Positions</i>	16	16	17	14	15
Information Technology	3,965,872	4,848,412	5,149,157	4,705,007	4,705,007
<i>Positions</i>	25	26	12	12	12
Finance	1,379,552	1,365,533	1,205,175	1,508,255	1,508,255
<i>Positions</i>	14	13	13	17	17
OTD Management and Support	2,273,068	2,426,795	2,774,552	2,929,262	2,951,379
<i>Positions</i>	6	7	3	2	2
TOTAL PROGRAMS	\$ 9,455,180	\$ 10,510,846	\$ 11,277,868	\$ 10,570,129	\$ 10,592,246
<i>Positions</i>	61	62	45	45	46

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	3,043,869	3,192,682	2,732,537	2,763,958	2,827,371
512000 Part-Time Employees	344,257	275,252	672,704	475,066	475,066
514000 Overtime	55,609	43,119	17,115	20,107	20,107
515000 Premium Pay	2,691	2,178	(54,808)	2,600	2,600
517000 Benefits	1,343,757	1,361,457	968,494	998,974	1,019,994
518000 Paid Absence	568,531	630,756	0	0	0
Total Personnel Services	5,358,714	5,505,444	4,336,042	4,260,705	4,345,138
Materials and Services					
External Materials and Services					
521000 Professional Services	799,574	863,781	850,375	280,928	280,928
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	50,000	0	0
524000 Repair & Maintenance Services	169,435	171,833	70,618	197,271	197,271
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	86,091	0	0	0
529000 Miscellaneous Services	361,846	151,360	279,500	45,000	45,000
531000 Office Supplies	33,242	47,185	58,750	86,623	86,623
532000 Operating Supplies	242,824	173,786	228,169	98,200	98,200
533000 Repair & Maintenance Supplies	0	401	57,300	5,568	5,568
534000 Minor Equipment & Tools	343,700	161,900	318,611	154,400	154,400
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	11,839	14,158	0	0	0
541000 Education	24,019	69,661	38,208	32,820	32,820
542000 Local Travel	6,865	8,258	3,315	555	555
543000 Out-of-Town Travel	28,177	25,822	16,735	9,875	9,875
544000 Space Rental	270	(5)	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	90,577	137,244	(15,921)	36,894	(47,539)
Total External Materials and Services	2,112,368	1,911,475	1,955,660	948,134	863,701
Internal Materials and Services					
551000 Fleet Services	1,826	1,113	1,030	1,832	1,832
552000 Printing & Distribution	35,739	26,768	135,297	177,867	177,867
553000 Facilities Services	968,643	1,537,011	1,604,648	1,588,983	1,588,983
554000 Communications Services	73,255	73,297	329,633	403,194	403,194
555000 Data Processing Services	296,209	523,132	2,331,866	2,429,872	2,429,872
556000 Insurance	44,565	56,337	55,459	92,033	92,033
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	400,707	633,191	528,233	567,509	589,626
Total Internal Materials and Services	1,820,944	2,850,849	4,986,166	5,261,290	5,283,407
Total Materials and Services	3,933,312	4,762,324	6,941,826	6,209,424	6,147,108
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	149,041	243,078	0	100,000	100,000
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	149,041	243,078	0	100,000	100,000
573000 Equipment Cash Transfers	10,000	0	0	0	0
576000 Minor Equipment Transfers	4,000	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 9,455,067	\$ 10,510,846	\$ 11,277,868	\$ 10,570,129	\$ 10,592,246

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	1	2	2	82,908	3	121,104	3	121,104
515	Accountant II	1	1	1	47,445	3	147,015	3	147,015
516	Accountant III	0	1	1	52,208	1	53,933	1	53,933
530	Accounting Supervisor I	0	0	0	0	1	61,575	1	61,575
926	Administrative Services Manager	2	1	2	145,486	1	75,648	1	75,648
920	Administrative Supervisor I	1	0	0	0	0	0	0	0
2532	Applications Analyst II	1	1	0	0	0	0	0	0
2533	Applications Analyst III	6	4	1	57,408	1	59,988	1	59,988
2534	Applications Analyst IV	0	1	1	60,294	1	64,634	1	64,634
826	Assistant Financial Analyst	1	1	0	0	0	0	0	0
928	Bureau Administrative Manager	1	0	0	0	0	0	0	0
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
3132	CADD Manager	0	1	0	0	0	0	0	0
827	Financial Analyst	1	1	2	117,831	4	230,278	4	230,278
3271	Graphics Illustrator II	1	1	1	50,482	1	52,137	1	52,137
610	Human Resources Analyst	0	1	0	0	0	0	0	0
2542	Information Systems Analyst II	5	5	1	45,719	1	49,249	1	49,249
2544	Information Systems Analyst IV	1	1	0	0	0	0	0	0
2550	Information Systems Manager	2	2	1	81,193	1	87,092	1	87,092
2546	Information Systems Supervisor	1	1	1	73,424	1	75,836	1	75,836
2523	Information Systems Tech II	1	1	1	45,881	1	49,402	1	49,402
812	Intergovernmental Program Coord	2	2	1	64,024	1	64,060	1	64,060
2240	Parking Enforcement Deputy	1	0	0	0	0	0	0	0
3229	Planner	4	4	4	192,192	3	148,896	3	148,896
832	Principal Financial Analyst	0	1	1	71,678	1	75,648	1	75,648
2545	Principal Info Systems Analyst	3	4	3	216,953	3	226,694	3	226,694
966	Program Coordinator	2	3	2	100,422	2	103,966	2	103,966
970	Program Manager II	1	1	1	66,061	0	0	0	0
972	Program Manager IV	3	3	2	170,768	2	172,228	2	172,228
3359	Public Works Project Manager	5	5	5	330,159	4	265,385	4	265,385
816	Senior Administrative Specialist	0	1	1	41,662	0	0	0	0
930	Senior Bureau Administrative Mgr	1	2	1	81,120	1	83,791	1	83,791
828	Senior Financial Analyst	1	0	0	0	0	0	0	0
952	Senior Management Analyst	0	1	1	61,458	1	64,895	1	64,895
3231	Senior Planner	3	3	3	184,143	2	126,826	3	190,239
115	Supervising Clerk	3	0	0	0	0	0	0	0
3107	Technician I	1	1	1	39,562	1	40,862	1	40,862
3108	Technician II	2	3	3	147,224	3	154,532	3	154,532
3109	Technician III	2	0	0	0	0	0	0	0
914	Transportation Director	1	1	1	104,832	1	108,284	1	108,284
TOTAL FULL-TIME POSITIONS		61	62	45	\$ 2,732,537	45	\$ 2,763,958	46	\$ 2,827,371

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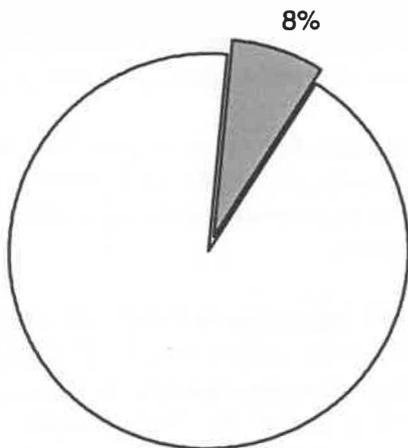
Legislative, Administrative and Support Services

Portland Development Commission
 Office of the City Attorney
 Office of the City Auditor
 Office of Management and Finance
 Office of Government Relations
 Bureau of Licenses

Office of the Mayor
 Commissioner of Public Utilities
 Commissioner of Public Works
 Commissioner of Public Affairs
 Commissioner of Public Safety
 Special Appropriations

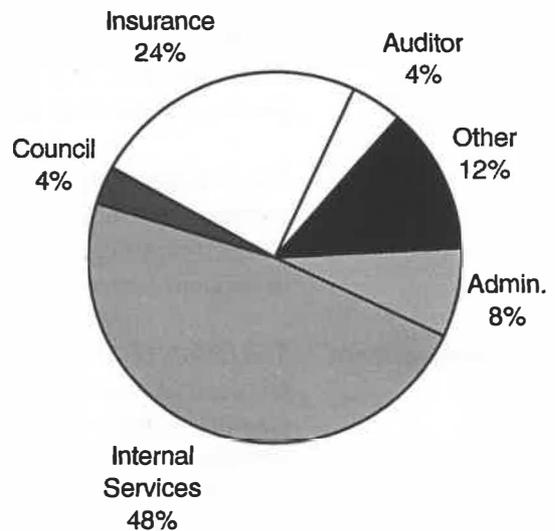
Percent of City Budget

Leg/Admin/Support Services = \$104.2 Million



City Budget = \$1.4 Billion

Bureau Pie Chart



Service Area Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	186,918,455	170,514,152	-16,404,303	-13.8%
Capital	20,362,730	8,245,669	-12,117,061	-61.7%
Allocated Overhead Costs	2,712,658	2,976,245	263,587	3.7%
Total Cost with Allocated Overhead	\$ 209,993,843	\$ 181,736,066	\$ -28,257,777	-18.2%
Authorized Full-Time Positions	711	701	-10	-6.8%

Note: Per capita change values are adjusted for inflation and population growth.

Service Area Highlights

DESCRIPTION

The Legislative, Administrative and Support Services Service Area includes the City's internal support bureaus, the offices of the Mayor and Commissioners, the Bureau of Licenses, and all Special Appropriations. The internal support bureaus are the Office of the City Attorney, the Office of the City Auditor, the Office of Government Relations, and the Office of Management and Finance.

MAJOR THEMES

Significant reductions in this service area were taken in administrative and support services, primarily in the Office of Management and Finance. The Adopted Budget includes changes in each of the bureaus in this service area as follows:

Attorney

The City Attorney's budget includes a 7.24% reduction from current service level which totals \$207,677. The cuts range from downgrading two authorized Senior Deputy Attorney positions to lower level positions to reductions in external materials and services.

Auditor

The Adopted Budget for the Auditor's Office includes reductions of \$162,973, funding to conduct a business survey, and partial funding to provide for Closed Captioning of City Council meetings. The Auditor's Office will also begin more aggressive collection of delinquent accounts through the foreclosure process.

Office of Management and Finance

The Office of Management and Finance made 7% reductions in its internal support and administrative services. Funding was approved to enhanced security for City Hall and to support capital projects for the Public Safety Radio System. In addition, a municipal marketing program and a new administrative fee to support the City's deferred compensation program were approved, as well as customer assistance positions for the Integrated Regional Network Enterprise.

Special Appropriations

Special Appropriations will provide one-time funding for three new efforts for FY 2002-03: a special election in the Fall to elect a new Commissioner of Public Safety; a contribution to Multnomah County for the Children's Receiving Center in Gateway, and the creation of a professional development fund for employees represented by COPPEEA.

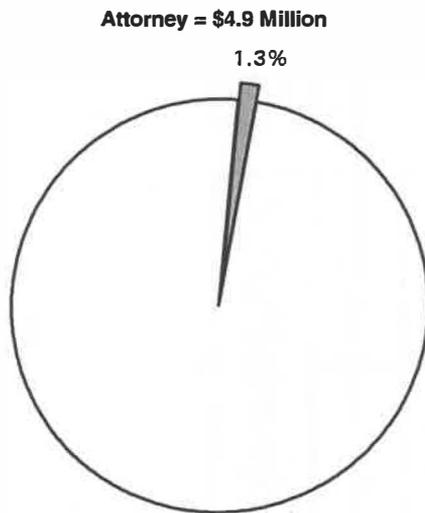
Office of the City Attorney

Legislative, Administrative and Support Services Service Area

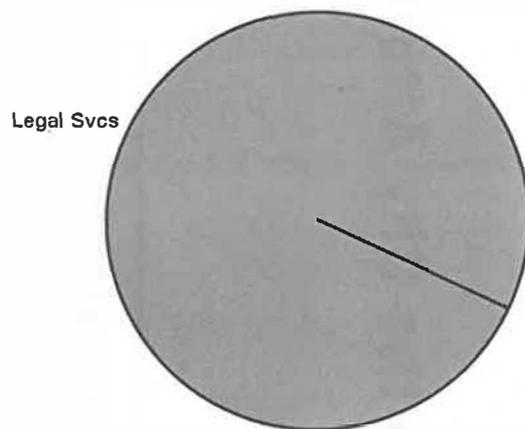
Mayor Vera Katz, Commissioner-in-Charge

Jeffrey L. Rogers, City Attorney

Percent of General Fund



Bureau Programs



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	4,771,479	4,885,929	114,450	-3.2%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 4,771,479	\$ 4,885,929	\$ 114,450	-3.2%
Authorized Full-Time Positions	40	38	-2	-10.2%

Note: Per capita change values are adjusted for inflation and population growth.

Office of the City Attorney



Bureau Summary

BUREAU MISSION

To help the City achieve its policy goals in the public interest by providing excellent, objective, timely, and economical legal advice and advocacy unaffected by politics, personalities, or self-interest.

BUREAU OVERVIEW

The office provides many types of legal services.

The City Attorney's Office provides legal services and programs for its clients, the City of Portland. The City Attorney is appointed by the full City Council and provides legal services as needed by all six elected officials and all City bureau managers and officials.

The legal staff handles work generated by citizens, the City Council, and City bureaus. Legal requirements include defending the City in court, initiating legal actions when appropriate in the public interest, handling other judicial and quasi-judicial actions, reviewing policies and programs, providing legal advice and counsel, producing formal legal opinions and performing any other legal services required by the City of Portland.

Legal services are required by City Code, state statutes, regulations, administrative requirements and federal law. In addition, the Oregon State Bar Association establishes ethical professional requirements that govern office lawyers and the legal work performed for the City and City officials.

At any given time the office is involved in issues including constitutional defense of municipal legislation, personnel and labor law issues, workers' compensation, land use litigation and planning, environmental issues, code enforcement, police and public records issues, fire and safety requirements, utilities and license fees, collections and work related to franchises, contracts, and more.

The work includes training and educating employees and officials on legal issues in an effort to prevent problems.

Consultative legal work encompasses advising, advocating, analyzing and reviewing activities and materials, negotiating actions, and drafting documents and legal instruments, and assisting in policy development and program implementation as requested and needed.

Office attorneys and paralegals work with Council members and their staff, officials, and bureaus to find legally acceptable ways to achieve public objectives and goals.

Legal issues usually arise outside the office's direct control

Legal services are affected by decisions made by City government, and by other municipalities and government entities. Legal issues usually originate outside of the office's direct control. The City Attorney's Office works with Council members and bureau managers to review the legal issues that may be associated with City projects.

Preventive law efforts play an important part in managing the City's legal needs to avoid problems. Attorneys are responsible for working on multiple projects that involve financial resources. Legal advice is sometimes required on short notice. However, the effects of legal advice are usually long term.

Sources of program funding

The program consists of services partially supported by discretionary General Fund dollars, internal City overhead revenues, and interagency agreements. These funds support office operations through materials, services, and overhead expenses. Interagency agreement with selected agencies support additional specialized legal work in specific areas. Over 85% of the City Attorney's cost are for personnel services. The Office's indirect overhead costs are substantially less than those in private sector law firms and other law offices.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Workload

The City of Portland's legal requirements continue to increase in amount and complexity, exceeding the capacity of the City Attorney's Office. As in recent years, this situation will likely result in the City needing to hire outside counsel to handle overflow and provide specialized legal work in some complex cases.

The office competes with private law firms in litigation, land use, hiring, and other areas.

Litigated cases are becoming larger and more complex. Historically, the most difficult and costly cases have been constitutional challenges in federal court to policies and programs put into place by City Council. Recently, however, the Office has been confronted with a wider range of major cases such as Qwest, Wellfield litigation, tax increment financing, Measure 7, and police death cases. The second largest exposure comes from tort cases filed against the City, especially against the Police Bureau.

The City's non-litigation legal workload is comprised of general advice, legal analysis and opinions for City Council, bureaus and managers, and consultation regarding the legal issues that arise in City programs. In this areas also, the office is facing increasingly complex matters including water billing, IPR, Portland Harbor, Title 14, SERT, forfeiture and others.

As noted above, the City is facing increasing complex legal demands.

Other Cost Control Options

The staff of the Office of the City Attorney is rapidly shifting to computer-assisted legal research work. It is necessary to use automated legal research to stay competitive with private firms who compete directly with us in hiring as well as litigation. Although automated legal research is costly, the conversion saves time and money by reducing library expenses and the costly purchase of legal subscriptions.

SUMMARY OF BUDGET DECISIONS

Budget Decisions

The Adopted Budget has a 7.24% reduction from current service level which totals \$207,677. The Office of the City Attorney reduced Personnel Services and External Materials and Services to meet this reduction requirement. This reduction will be achieved by downgrading two authorized Senior Deputy Attorney positions to lower level positions. One full-time Office Support Specialist II position will be converted to a half-time position. External Materials and Services will be reduced by \$152,042. The impact of these cuts will mean reduced staff time on automated legal research projects, deferring the hire of the law clerks to assist attorneys, and cutting purchases such as legal publications, computer equipment, and office supplies.

Revenue

The Adopted Budget is supported by General Fund discretionary revenues, General Fund overhead revenues, and interagency agreements based upon services provided to other City bureaus. One primary funding source is interagency which currently represents 43.6% of the total Adopted Budget. The General Fund discretionary is 35.3% and the overhead is 21.1% of the Adopted Budget.

Strategic Direction

SIGNIFICANT ISSUES

The City Attorney's Office faces one continuing major issue: insufficient resources to meet all the City's increasing legal needs. The City's legal work is not optional, it must be done as needed. There are only two ways of doing it: City lawyers or more expensive and less efficient outside counsel.

During the past decade, the City Attorney's budget and staff size has lagged substantially behind the growth of the City, City government, and every other central service bureau.

The City is proud this office has successfully "done more with less". As a result of reductions, the City is spending substantially more on outside legal services than may be appropriate.

Cost Control

Two ways to cut costs: increase paralegal use and decrease outside counsel use.

Reducing Attorney Costs

Two of the most effective ways to control the City's legal costs are to minimize the use of outside counsel and to maximize use of paralegal assistants and other non-attorney staff. The City's legal costs have increased in recent years as the City has hired outside firms to handle overflow work. Some of that overflow work could also be handled by paralegals.

MAJOR INITIATIVES

Initiatives

The nature and amount of legal work is not under the control of the office.

The office works on virtually all major initiatives in the City. At the outset of every major initiative by any Council member or bureau, it is necessary to determine whether there is legal authority for the proposed program. Next, it is necessary to craft the details of the program in such a way as to meet constitutional and statutory requirements. Third, after being adopted, all major City initiatives are subject to legal challenges, which may involve extended litigation. Fourth, even if the policy is potentially legally sound, the way it is implemented may be challenged long after it is in place.

Although the City Attorney's Office works on most major City initiatives, the content of the office's work generally depends on forces beyond its control. As noted, one of those forces is initiatives taken by City Council and bureaus. Other sources of legal work include litigation filed against the City by citizens and businesses, employment and disciplinary matters in bureaus, federal and state mandates, code enforcement matters, land use applications, environmental requirements, applications for workers' compensation, and intergovernmental initiatives. In some instances, the City Attorney's Office goes beyond traditional lawyering and plays a key role on major initiatives.

MANAGEMENT GOALS & OBJECTIVES

Long-Term Goals

The Office operates to fulfill the following long-term goals:

1. Perform top quality, professional work, unaffected by politics or personalities.
2. Pursue aggressive cost controls and expenditure restrictions to decrease costs and promote efficiencies.

3. Identify legal risks and repair legal problems, while nonetheless encouraging prudent risk-taking; when the City encounters legal obstacles, propose alternative legally acceptable ways to accomplish public objectives.
4. Expand environmental practices and procedures using recycled paper and supplies, recycling, and similar practices.
5. Make maximum feasible use of computerized research and other legal tools so as to limit expenditures and be able to compete with private firms which oppose the City in litigation.
6. Maintain an office environment and a level of compensation that allows the office to compete with private law firms in hiring and retaining top quality lawyers and staff.

COUNCIL PRIORITIES

Council Issues and Priorities

Because of its role as provider of legal services to all parts of the City, the office is necessarily working on virtually all of the City's priorities. The intensity of the legal work required varies from priority to priority.

It is anticipated that in the next two fiscal years, the office will be most actively providing legal advice and services on the following priorities identified by the Council:

Virtually all major City initiatives require legal work.

- ◆ Multi-modal transportation system.
- ◆ Maintain street networks.
- ◆ Diversify City work force.
- ◆ Dealing with growth and its implications, including how to pay for services.
- ◆ Providing access to jobs for Portland citizens.
- ◆ Neighborhood infrastructure.
- ◆ Public safety.
- ◆ FPD&R and PERS funding.
- ◆ Youth and families.
- ◆ 25-year vision.
- ◆ Unified planning strategy.
- ◆ Purchase property to link the Greenway.
- ◆ The City Attorney's Office also works internally to promote diversity and other goals.
- ◆ The office works with the League of Oregon Cities, the Oregon City Attorney's Association, the Oregon State Bar, and other community organizations and groups to promote policies and programs in support of goals found in the Portland/Multnomah Benchmarks and Future Focus.

Overview of Programs

LEGAL SERVICES

All bureau staff work within the Legal Services Program

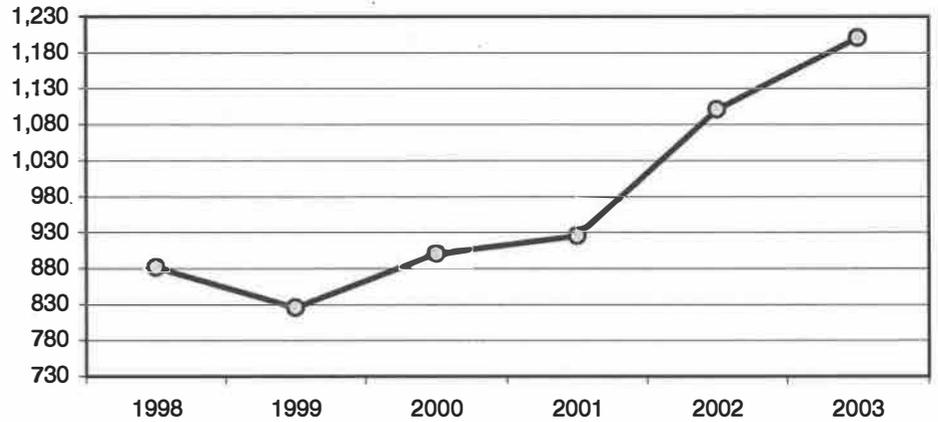
The City Attorney's budget has one budget program that includes personnel, administrative and overhead costs. The Legal Services Program includes the following personnel: the City Attorney, Chief Deputies, Deputy City Attorneys, Paralegal Assistants, Legal Assistants, and Administrative Staff. All provide legal work directly to the City Council, bureaus, agencies and program managers.

Legal Services include representing the City in court litigation, administrative proceedings, appeals, and other judicial processes. This program also provides advice, consultation and research on issues and questions regarding municipal operations and programs.

Performance Measures

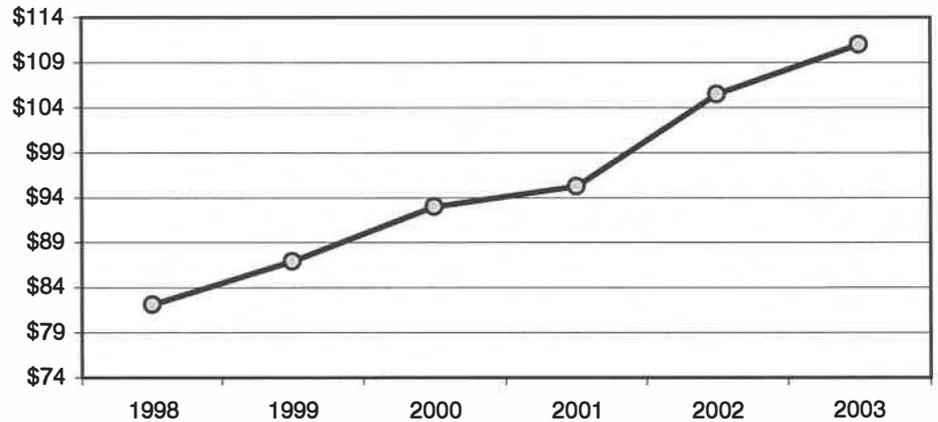
Litigation Cases Handled

◆ Complexity and cost of litigation have increased despite efforts to minimize litigation.



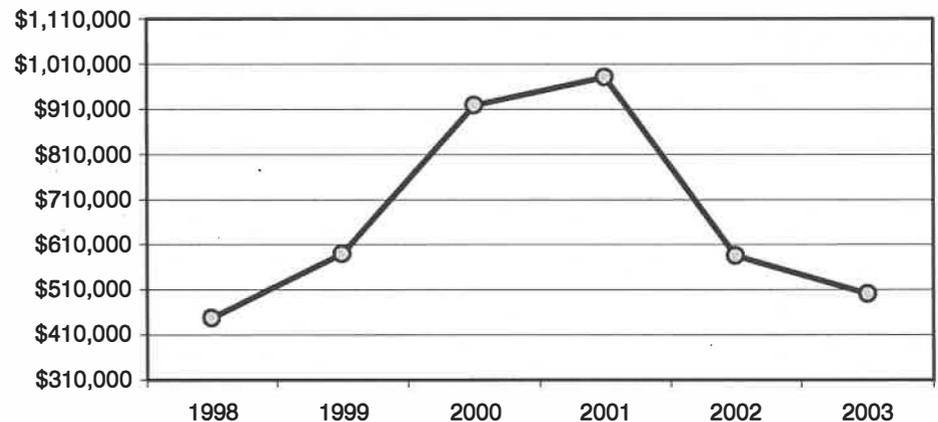
Fully Loaded Hourly Rate

◆ A law office's fully loaded hourly rate includes direct expenses for staff and materials necessary to produce legal work, and also both indirect and direct overhead costs.

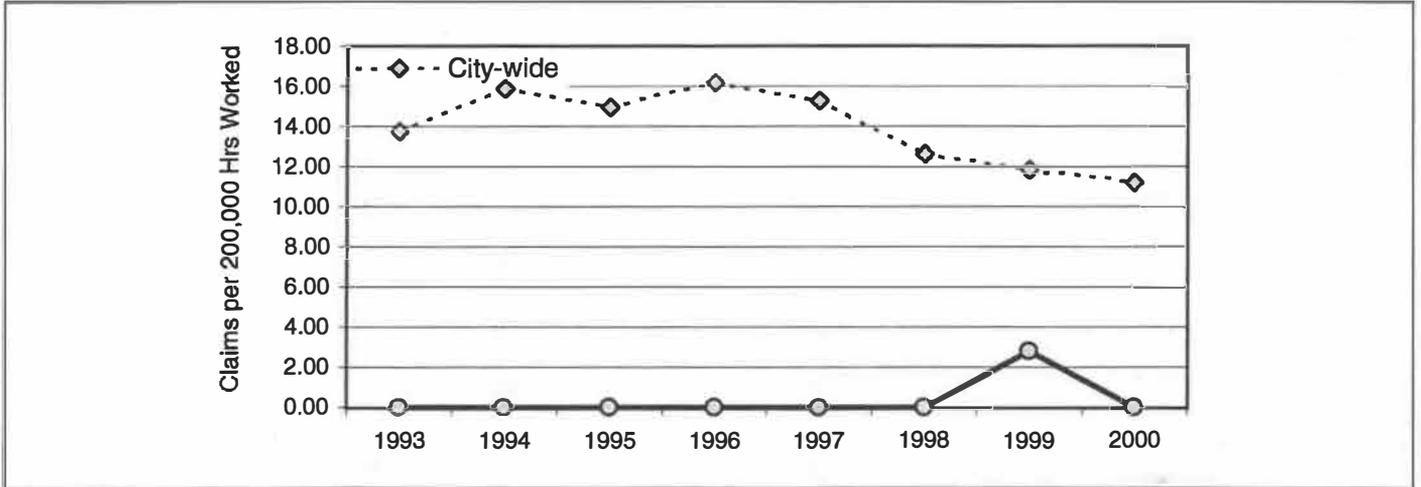


Outside Legal Expense

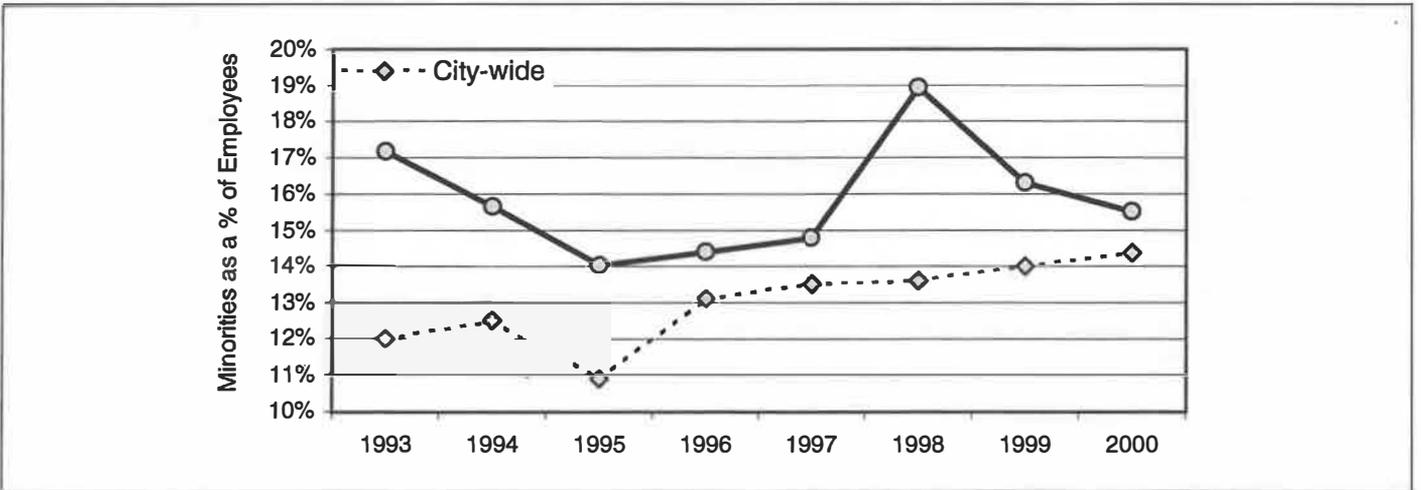
◆



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF THE CITY ATTORNEY						
Affirmative Action Measures						
Affirmative Action - Minority	15.0%	12.8%	14.6%	13.5%	13.2%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	67.5%	66.7%	65.9%	64.9%	65.8%	
Female Employees as a Percent of Total						
Office of the City Attorney						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	2.80	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.04	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Legal Services						
Workload						
Hourly Rate	\$82	\$87	\$93	\$95	\$105	\$111
A law office's fully loaded hourly rate includes direct expenses for staff and materials necessary to produce legal work, and also both indirect and direct overhead costs. The City Attorney's Office hourly costs are lower than local law firm billings rate						
Litigation Cases	881	825	900	925	1,100	1,200
Number, complexity and cost of litigation have increased despite efforts to minimize litigation.						
Efficiency						
Outside Legal Expense	\$447,521	\$589,051	\$918,384	\$980,000	\$585,000	\$500,000
Outside counsel costs skyrocketed after fiscal year 96-97. The City should reduce use of outside counsel. Hiring outside counsel is approximately twice as expensive as City Attorney work.						

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	3,693,006	3,911,344	4,010,178	4,105,935	4,105,935
External Materials and Services	310,121	298,842	303,048	312,960	312,960
Internal Materials and Services	364,289	400,268	458,253	467,034	467,034
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	4,367,416	4,610,454	4,771,479	4,885,929	4,885,929
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 4,367,416	\$ 4,610,454	\$ 4,771,479	\$ 4,885,929	\$ 4,885,929
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	4,367,416	4,610,454	4,771,479	4,885,929	4,885,929
RESOURCES					
General Fund Discretionary	1,433,959	1,540,180	1,648,485	1,674,683	1,554,533
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	1,795,715	1,963,570	2,051,405	2,222,442	2,222,442
Program Revenue	11,915	18,534	0	0	0
Overhead Recovery	1,125,827	1,088,170	1,071,589	988,804	1,108,954
Total Non-Discretionary Revenues	2,933,457	3,070,274	3,122,994	3,211,246	3,331,396
TOTAL GENERAL FUND RESOURCES	4,367,416	\$ 4,610,454	\$ 4,771,479	\$ 4,885,929	\$ 4,885,929
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Administration	11,794	347	0	0	0
<i>Positions</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Legal Services	4,355,622	4,610,107	4,771,479	4,885,929	4,885,929
<i>Positions</i>	<i>39</i>	<i>40</i>	<i>40</i>	<i>38</i>	<i>38</i>
TOTAL PROGRAMS	\$ 4,367,416	\$ 4,610,454	\$ 4,771,479	\$ 4,885,929	\$ 4,885,929
<i>Positions</i>	<i>39</i>	<i>40</i>	<i>40</i>	<i>38</i>	<i>38</i>
<i>General Fund Discretionary Positions</i>	<i>13</i>	<i>14</i>	<i>14</i>	<i>13</i>	<i>13</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,251,719	2,377,591	2,797,256	2,734,575	2,734,575
512000 Part-Time Employees	184,031	183,235	237,334	389,293	389,293
517000 Benefits	896,547	915,086	975,588	982,067	982,067
518000 Paid Absence	360,709	435,432	0	0	0
Total Personnel Services	3,693,006	3,911,344	4,010,178	4,105,935	4,105,935
Materials and Services					
External Materials and Services					
521000 Professional Services	0	0	0	0	0
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	3,246	2,820	13,548	13,734	13,734
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	134,942	94,468	80,077	90,043	90,043
531000 Office Supplies	48,181	57,719	68,609	68,609	68,609
532000 Operating Supplies	89,241	92,756	99,640	99,400	99,400
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	7,197	5,775	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	19,633	23,692	30,467	30,467	30,467
542000 Local Travel	1,048	1,666	2,562	2,562	2,562
543000 Out-of-Town Travel	3,053	4,669	6,285	6,285	6,285
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	3,580	15,277	1,860	1,860	1,860
Total External Materials and Services	310,121	298,842	303,048	312,960	312,960
Internal Materials and Services					
551000 Fleet Services	2,258	3,650	3,090	4,120	4,120
552000 Printing & Distribution	50,875	52,638	55,282	54,105	54,105
553000 Facilities Services	182,886	184,711	193,103	199,488	199,488
554000 Communications Services	54,373	47,726	48,627	48,873	48,873
555000 Data Processing Services	15,726	42,078	43,751	42,635	42,635
556000 Insurance	58,171	69,465	68,361	67,320	67,320
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	46,039	50,493	50,493
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	364,289	400,268	458,253	467,034	467,034
Total Materials and Services	674,410	699,110	761,301	779,994	779,994
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 4,367,416	\$ 4,610,454	\$ 4,771,479	\$ 4,885,929	\$ 4,885,929

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
920	Administrative Supervisor I	1	0	0	0	0	0	0	0
922	Administrative Supervisor II	1	0	0	0	0	0	0	0
924	Administrative Supervisor III	0	1	1	65,686	1	68,236	1	68,236
962	Assistant Program Specialist	1	1	1	51,647	1	55,262	1	55,262
714	Chief Deputy City Attorney	2	2	2	179,737	2	117,795	2	117,795
715	City Attorney	1	1	1	104,832	1	108,284	1	108,284
114	Clerical Specialist	2	0	0	0	0	0	0	0
711	Deputy City Attorney II	4	4	4	255,480	4	339,621	4	339,621
712	Deputy City Attorney III	7	3	3	233,664	3	335,405	3	335,405
2543	Information Systems Analyst III	1	1	1	59,556	1	64,477	1	64,477
240	Legal Assistant	6	6	6	301,439	6	311,555	6	311,555
102	Office Support Specialist II	0	2	2	65,416	1	35,454	1	35,454
709	Paralegal Assistant	3	4	4	204,014	3	161,191	3	161,191
970	Program Manager II	1	0	0	0	0	0	0	0
971	Program Manager III	0	1	1	74,040	1	75,648	1	75,648
713	Senior Deputy City Attorney	9	13	13	1,141,444	13	996,802	13	996,802
828	Senior Financial Analyst	0	1	1	60,301	1	64,845	1	64,845
TOTAL FULL-TIME POSITIONS		39	40	40	\$ 2,797,256	38	\$ 2,734,575	38	\$ 2,734,575

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	5,091,662	0	5,091,662	40.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	1,817	0	1,817	0.0	OMF-HR Cost Pool Adjustment
	(2,334)	0	(2,334)	0.0	Facilities BOMA Adjustment
	1,019	0	1,019	0.0	Facilities BOMA Adjustment - Bureau Retains
	13,335	0	13,335	0.0	New Funding - City Hall Security
	0	0	0	(1.0)	Convert Paralegal to Part-time
Mayor's Proposed Budget Decisions					
	(15,877)	0	(15,877)	0.0	Misc. Materials & Services
	(86,317)	0	(86,317)	0.0	Office / Operating Supplies
	(27,926)	0	(27,926)	0.0	Sr. Deputy Attorney -Reclass
	(27,709)	0	(27,709)	(1.0)	Office Support Specialist
	(49,848)	0	(49,848)	0.0	Miscellaneous Services
	(708)	0	(708)	0.0	OMF-HR Cost Training Reduction
	309	0	309	0.0	OMF-HR Cost Training Reductio - Add Back
	(20,396)	0	(20,396)	0.0	OMF-Internal Services Cuts
	8,902	0	8,902	0.0	OMF-Internal Services Cuts - Add back Bureau
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	(205,733)	0	(205,733)	(2.0)	Total FY 2002-03 Decision Packages
			\$ 4,885,929	38.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Accepted

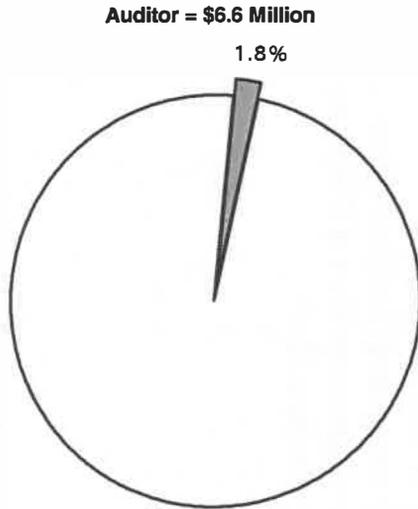


Office of the City Auditor

Legislative, Administrative and Support Services Service Area

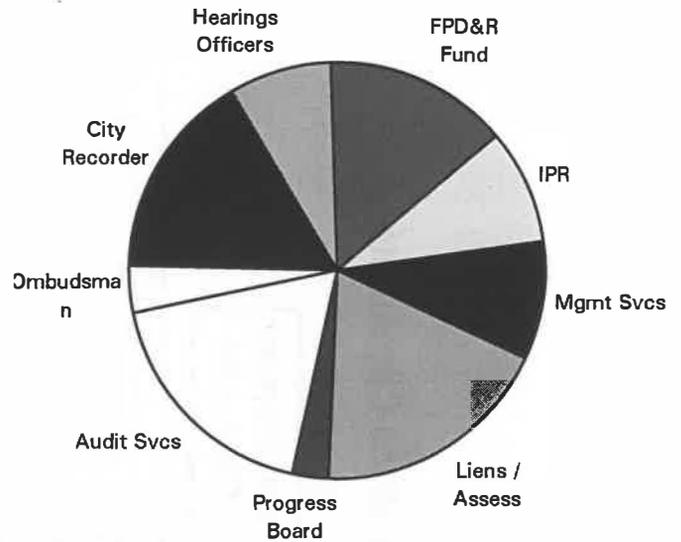
Gary Blackmer, City Auditor

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs

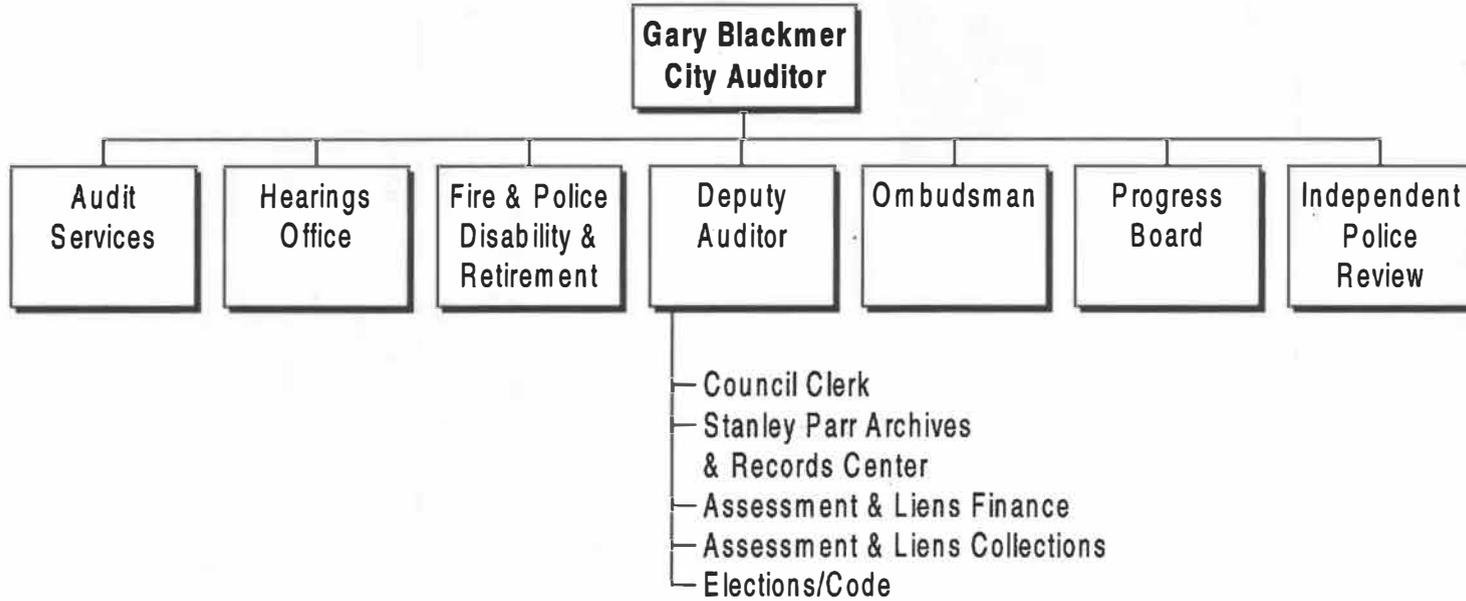


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	6,256,016	6,639,591	383,575	0.3%
Capital	184,239	0	-184,239	-100.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 6,440,255	\$ 6,639,591	\$ 199,336	-2.5%
Authorized Full-Time Positions	66	65	-1	-6.9%

Note: Per capita change values are adjusted for inflation and population growth.

Office of the City Auditor



Bureau Summary

BUREAU MISSION

The mission of the City Auditor's Office is to foster open and accountable government. This is accomplished by providing access to City information, and conducting independent and impartial reviews that promote fair, efficient, and quality services.

VISION AND VALUES

Citizens will have increased confidence in City government knowing that an independent Auditor's Office is improving their City services and access to information. The Auditor's Office has the following vision and values:

We value our unique position of independence of the Auditor's Office in the Commission form of government.

We value professionalism in the quality of our work and our interactions with each other, with other bureaus, and the public.

We value open and accountable government to achieve continuous improvement in City services to the public.

BUREAU OVERVIEW

Organizational Description

The City Auditor is the sixth elected official of the City of Portland. In the commission form of government, the Auditor provides accountability for the use of public resources and access to information for all Council members and the public. The Auditor is required by City Charter to be professionally certified and is prohibited from running for any other elected City position while in office.

The City Charter assigns the Auditor a variety of responsibilities: financial and performance audits, supervision of City elections, maintenance of all official business records of the City, provide official certifications, act as the Secretary of the Fire and Police Disability and Retirement system, and perform responsibilities concerning Assessments and Liens. The Hearings Office was assigned to the Auditor's Office in 1990. The Portland Multnomah Progress Board was moved to the City Auditor's Office on January 1, 2000. The Ombudsman Office started operating on July 1, 2001. The Independent Police Review started taking citizen complaints on January 2, 2002. These final two programs were assigned to the City Auditor due to the independence, integrity and impartiality of this Office.

Operations

Audit Services

This division conducts independent performance audits and analyses that provide objective information for City officials, management and the public. The Audit Services Division also manages the contract with the outside accounting firm which conducts the annual audit of the City's financial statements as required by State law.

City Recorder

As Clerk of the Council, the City Recorder Division develops, maintains current and historical documentation of City business records and provides this information to Council, bureaus and the public. This division provides a central point for contracts and payments, maintains and distributes the City Code, is responsible for applying state records retention requirements, and provides for records storage, retrieval and destruction.

The Assessments and Liens Division administers the financing of property enhancements.

Assessments and Liens

This division administers the financing and collection of assessments of local improvement districts (LIDs) for improvements to streets, sidewalks, sewers, and special projects, such as the Portland Streetcar LID. All collection of City imposed assessments on property is centralized in this section. The division assists the Office of Planning and Development Review in their code enforcement efforts by collecting fees and penalties. Assessments and Liens is also responsible for collecting and financing sidewalk repair assessments for the Bureau of Maintenance and system development charges for the Parks Bureau, the Office of Transportation and the Bureau of Environmental Services.

Fire and Police Disability and Retirement Fund

The City Auditor serves as Secretary of the Fire and Police Disability and Retirement Fund and is one of the eleven-member Board of Trustees. This division administers all pension and disability matters, including disbursing payments to qualifying police officers and firefighters.

Hearings Officers

This division carries out two hearings functions: land use and City Code. The Land Use Hearings Officer is responsible for holding public hearings and making decisions to allow or deny land use permits. The Code Hearings Officer provides enforcement of the City Code in proceedings initiated by other bureaus and also hears appeals from citizens on code enforcement determinations made by bureaus.

The Progress Board measures whether the community is reaching its vision and goals.

Portland Multnomah Progress Board

The Portland Multnomah Progress Board identifies and reports on indicators (benchmarks) which collectively gauge whether the community is meeting its goals and vision for the future. Staff maintain trend data on over 60 benchmarks on the Internet and provide technical assistance on Census and other data. In addition, board staff produce special reports analyzing individual benchmarks, as well as assisting other organizations to adopt performance-based efforts.

Ombudsman Office

The Ombudsman Office provides an independent, impartial office to investigate public complaints about the administrative acts of City agencies. When warranted the office recommends changes toward the goal of promoting higher standards of quality, efficiency and justice in the provision of City services.

Independent Police Review

The Independent Police Review (IPR) division provides the central intake point for citizen complaints against the police, determines the best manner for addressing the complaint and ensures it is handled in a timely, thorough and fair manner. The IPR facilitates the work of the City Council appointed Citizen Review Committee (CRC) and addresses policy and training issues relating to the level of service provided by the Portland Police Bureau.

Management Services

The Management Services division provides leadership and support for all Auditor's Office activities. Services include budgeting and accounting, human resource functions, payroll matters, purchasing and managing information technology systems.

The Auditor is also responsible for overseeing election processes for the City of Portland. Staff in the Management Services division receive, process and file all declarations of candidacy for City office, contributions and expenditure reports, initiative, referendum, and recall petitions, and Council-originated ballot measures.

HIGHLIGHTS OF PROGRAMS AND SERVICES**Adopted Budget**

The Auditor's Office FY 2002-03 Adopted Budget supports ongoing activities, programs, and services provided to citizens, other City bureaus and agencies. These services continue to be provided with fewer managers, more efficient use of staff, and an increased span of control effected in the 1998-99 budget submission.

Better City Government

The Auditor's Office Adopted Budget preserves the core functions of the Auditor's Office and funds the new efforts undertaken during the last 18 months. The Auditor's Office has put into place the E-Files system for electronic archiving of documents, the Ombudsman Office and the Independent Police Review program. The Auditor's Office is also committed to maintaining the Portland Policy repository and putting City policies on the Internet. These projects contribute to a better City government and make information more accessible to its citizens.

SUMMARY OF BUDGET DECISIONS

The Auditor's Office made \$162,973 in reductions and absorbed the cost of the IPR investigator which amounted to \$49,050. The office reorganized its organization and reporting structure and will continue to add new programs and activities without increases in management and administrative staff.

Budget Reductions**Eliminate Senior Management Auditor position**

The Auditor's Office eliminated a one-half time Senior Management Auditor position in order to reduce expenditures. This position assisted with the Service Efforts and Accomplishments Reports (SEA) and conducted audits.

Eliminate position in Assessment and Liens

The Auditor's Office eliminated one full-time office support position in the Assessment and Liens Division due to reorganized workloads and increased efficiencies in this division.

Reclassify position for Foreclosure

The Auditor's Office will implement a foreclosure program in the next fiscal year. The office expects to increase collections by at least \$500,000 per year for the next two years. The Auditor's Office will reclassify one existing position within the Assessment and Liens division to a limited term Program Manager position to administer the foreclosure program.

Reduction in Materials and Services

The Auditor's Office budget reflects a reduction in the Materials and Services budget. Some of these reductions are due to the elimination of two staff positions. The other Materials and Services reductions may impact the ability to hire outside experts, decelerate implementation of efforts to improve services to the public, delay technological advances and slow efforts to deploy the E-Files system to other bureaus.

Funded Activities**Closed Captioning**

The Auditor's Office Adopted Budget contains partial funding to provide closed captioning of City Council meetings. The Auditor's Office will negotiate a new contract with the vendor to determine the level of services to be funded.

Business Survey

The Adopted Budget includes funding to conduct a business survey.

City's Annual Financial Audit

The Auditor's Office manages the contract with the outside accounting firm which prepares the annual audit of the City's financial statements. The adopted budget includes additional funding for this contract.

Revenue Enhancements

The Adopted Budget includes a program of aggressive collection efforts aimed at reducing the level of delinquent liens. The Auditor's Office plans to collect \$500,000 in delinquent liens during FY 2002-03.

FUNDING SOURCES**General Fund**

The Auditor's Office receives partial funding from General Fund discretionary resources and the overhead allocation.

Interagency Revenues

The Auditor's Office receives revenue from other City agencies through interagency service agreements with the following funds and bureaus to provide support for specific programs: LID Construction Fund, the Fire and Police Disability and Retirement Fund, the bureaus of Police, Environmental Services, Licenses, and the Office of Planning and Development Review.

Intergovernmental Revenues

The Auditor's Office has intergovernmental agreements for specific programs and services with Multnomah County, the Port of Portland, Tri-Met, and the Oregon Department of Transportation.

Other Funding Sources

The Auditor's Office receives revenue from Planning Bureau permit fees for partial support of the Land Use Appeals process and miscellaneous revenues from the sale of copies of the City Code and City Charter.

Strategic Direction

SIGNIFICANT ISSUES

Changing conditions and public expectations have created challenges for the Auditor's Office. In some cases solutions are already being put in place. In other cases the Auditor's Office is proposing solutions to be implemented when time and administrative resources permit.

Open and accountable government

The independent and objective work performed by the Auditor's Office staff is expected by the public. The office fulfills its role with a range of services, from public records access to impartial recommendations for organizational improvement. This core work is sustained on a day-to-day basis.

Space Shortage at SPARC

The Stanley Parr Archives and Records Center (SPARC) is approximately 99% full. The Auditor's Office is mid-way through implementation of the E-files system. This electronic storage system will extend the useful life of the building, take advantage of new technologies, and increase public access to City records.

Rising public expectations for access to City information

The increased popularity of the Internet is creating a public expectation for access to City information through that medium. Use of the Internet can also reduce printing and mailing costs for distributing information such as the City Charter and Code, Council Agenda, and audit reports.

Changing community needs

Migration, new household structures, and an aging population are creating an entirely different community than anything Portland has seen in the past. City bureaus need to understand and respond effectively to citizens' changing patterns of service needs and civic involvement. The Portland Multnomah Progress Board is a Census Affiliate, helping bureau managers understand impacts on housing needs, transportation patterns, park and recreation activities, foreign language needs, economic development opportunities, and other services affected by demographic shifts.

Escalating costs for the Lien Accounting System

The Auditor's Office interagency agreement with the Bureau of Information Technology has increased by \$80,000 (26%) over the last two fiscal years. The Auditor's Office will seek solutions that avoid passing the increased costs to customers. The Lien Accounting System is over ten years old and is becoming too expensive to operate in its current configuration. The office will prepare a plan to migrate the system to a different platform during the next fiscal year.

MAJOR INITIATIVES

Significant Changes

The City Auditor was sworn into office on January 4, 2000. He reviewed the roles and responsibilities of the City Auditor, prepared a presentation for City Council, and proposed a plan for significant changes within the Office. Many of these changes are underway or already completed. Some of the initiatives effectively respond to the significant issues already identified, while other responses need to be developed for effectively dealing with other issues.

Quality Services

Portland's Audit Services is a nationally recognized leader in performance auditing. Its ongoing efforts produce recommendations that enhance the efficiency and effectiveness of City services. The public also has an expectation that City services will be provided in a fair and equitable manner. Council supports this viewpoint and funded the creation of two new programs in the Auditor's Office. The Ombudsman Office and Independent Police Review Division provide means of complaint resolution for citizens who feel they haven't been treated fairly. Both of these offices will ensure an independent review of complaints and can make policy recommendations to prevent similar incidents in the future.

E-Files

The E-Files system has been successfully installed at the Archives Center and the Auditor's Office is beginning to capture Council documents in electronic format. This technology provides a framework for electronic storage and access of documents and will reduce the need for additional space at SPARC. Council agendas, documents submitted to Council, and policies furnished on the Internet will all be easier to accomplish with E-Files. Publishing on the Internet reduces printing and mailing costs and provides instant access to citizens in their homes, businesses, or libraries.

The Auditor's Office will install this system in the Mayor's and Commissioners' offices this fiscal year. The office will formulate a plan, timeline and budget to implement this system on a citywide basis.

Foreclosure

The City has not foreclosed on a delinquent property in 30 years. While more aggressive collections efforts can be undertaken, without the real possibility of foreclosure, many property owners will continue to ignore monthly bills. Over \$6.3 million in delinquent lien payments are due the City, mostly for code enforcement activities of OPDR. This budget incorporates a plan for the Assessment and Liens program to fund a two-year temporary position to manage the collections strategies, up to and including foreclosure, which could generate at least \$500,000 annually. The office will work closely with other City staff to settle accounts, and will rely on the Ombudsman Office to provide an avenue of review, when requested by the property owner, in order to avoid endangering vulnerable residents.

Lien Accounting System Replacement

The Auditor's Office cost to use the enterprise server has increased to nearly \$205,000 annually, reaching a point where replacement is justified on a financial as well as age basis. The office will work with the Bureau of Information Technology to rewrite the current 10 year old system in an updated software language and migrate it to a different platform.

MANAGEMENT GOALS & OBJECTIVES**Management Objectives for FY 2002-03**

The Auditor's Office plans to achieve the following objectives in FY 2002-2003:

- ◆ Complete eight audits that will help improve the City's public accountability and identify opportunities for increased efficiency and effectiveness.
- ◆ Continue to work closely with City bureaus and elected officials to improve the City's performance management and reporting systems.
- ◆ Provide bureau staff with the capability of electronically reviewing Council documentation for weekly sessions.
- ◆ Install the E-Files system in the Mayor's and Commissioners' Offices and train staff in its use.
- ◆ Organize and coordinate the information on the City's Internet web site. Maintain and update the web site with current information on a weekly basis.

- ◆ Develop a plan and timeline for implementing the E-Files system on a citywide basis.
- ◆ Develop and implement a plan to rewrite the current Lien Accounting System software to operate on another platform and migrate the system off the City's enterprise server. Develop software that is more user friendly, cost efficient, and accessible to customers in a web-based environment.
- ◆ Administer a foreclosure process; establish policies, procedures, and recommendations on how the City should proceed with foreclosures and install a manager.
- ◆ Develop a database for the Land Use Hearings Office.
- ◆ Update the Progress Board benchmarks and publish the annual report.
- ◆ Study at least one benchmark in detail and prepare a report on it.
- ◆ Provide citizens an independent, efficient, and accessible system for receiving and addressing complaints, grievances or concerns with City government.
- ◆ Fully implement the Independent Police Review program; prepare quarterly reports for Council; hire an outside expert to review officer involved shootings and deaths in custody for policy recommendations.

Long-Term Goals

The Auditor's Office plans to achieve these long-term goals during the next five years:

- ◆ Focus on core responsibilities and appropriate activities and transfer other duties to other bureaus to best serve the needs of the public.
- ◆ Gather and objectively report information to help improve City services, to assist Council decision-making, and to better engage citizens and businesses in collaborative problem-solving.
- ◆ Provide an information system for the storage, management, and retrieval of official City records in both paper-based and electronic forms.
- ◆ Provide citizen and bureau access to current and retrospective information on the City Code, City Charter, Council documentation and other City records through effective use of information technology.
- ◆ Provide a full range of services for assisting citizens in resolving problems with City bureaus.
- ◆ Insure citizen complaints that have not been resolved at the bureau level are listened to, reviewed, and responded to in a comprehensive and timely manner including recommendations for systemic change.

COUNCIL PRIORITIES

Council Issues and Priorities

Support Quality Education to Produce Well Educated Citizens

Monitoring and Technical Assistance: The Auditor was a member of the Portland Public School Best Use of Facilities Task Force that provided expertise on audit and management related issues. With assistance from Progress Board staff, the Portland Public schools and the Portland Development Commission surveyed families to identify strategies for maintaining enrollment levels.

School Success Benchmark: The Portland Multnomah Progress Board has completed several major studies of the factors leading to school success, worked closely with the Commission on Children, Families, and Communities as well as the Leaders Roundtable.

Maintain a Financially Stable City of Portland

Financial Condition Report: The Audit Services Division regularly produces a financial condition report that identifies warning trends that can affect the City's financial position and ability to sustain its services. Another report is scheduled to be published in the Spring of 2002.

Maintain and Improve our Parks, Green Spaces, Water, and Air Sheds

Parks Audit: The Audit Services Division has completed a major audit of Parks operations with a primary focus on maintenance issues.

Salmon Study: The Portland Multnomah Progress Board completed a detailed study of salmon in the Johnson Creek watershed that identified the factors, relevant laws, and agencies involved in protecting the water quality, stream conditions, the fish and habitat.

Keep the Central City Vital

Technical Assistance: Several of the elements of a vital central city are also Progress Board benchmarks. Board staff have offered assistance in developing additional measures and analyzing data to help assess progress toward the 25-Year Vision.

Become a More Effective Partner in the Region

Progress Board Partnership: The Portland Multnomah Progress Board is comprised of executives from the cities of Gresham, Fairview, Multnomah County, the Portland School District, the Port of Portland, the Housing Authority, Portland State University, Portland Community College and Metro, as well as several business community representatives and citizens. Through these relationships and common benchmark goals, the mayor and other agency officials have established strong partnerships.

Build a Sense of Community by Promoting Participation, Connectedness, and Partnerships

City Recorder: Public access to City information is the responsibility of this division. This ensures the public is notified of the Council meetings, that they have the opportunity to speak, and that they can research past Council decisions. The Auditor's Office will be placing more information about the City on the Internet.

Elections: Citizens can monitor and participate in government through the electoral process. The Auditor's Office provides citizens, candidates and the media easy access to current and historical election information through the Internet.

Continuously Improve the Delivery of Quality Public Services

Performance Audits: Only the Audit Services division has the charter authority and mission of improving the delivery of services throughout the City of Portland. Through its audits, the division has identified management improvements in the City for the past 16 years.

SEA Report: The Audit Services Division produces the annual Service Efforts and Accomplishments Report (SEA). This report gathers and analyzes performance measures from the City's nine largest bureaus to provide objective information to assess improvements in efficiency and effectiveness. The SEA report also includes the results of the Auditor's citizen survey on satisfaction with City services. This report is used with the benchmarks report to provide information for the decision-makers in the City and County government.

Ombudsman Office/Independent Police Review: One of the Auditor's Office major initiatives is to provide a full range of services for assisting citizens in resolving problems with City bureaus. The Auditor's Office has established the Ombudsman Office and the Independent Police Review program to respond to complaints in a comprehensive and timely manner including recommendations for systemic changes.

Overview of Programs

OMBUDSMAN OFFICE

The Office of the Ombudsman was established by City Council on July 1, 2001. It is an independent, impartial office, responsible to the City Auditor, that investigates the administrative acts of City agencies in a non-adversarial manner. When warranted, the office recommends appropriate changes to promote higher standards of competency, efficiency and justice in the provision of City services. The Ombudsman has access to all public records, but has no authority to make or reverse a decision.

The Ombudsman's job is to investigate complaints and determine whether a citizen has been treated unfairly by the City. If a complaint is justified, staff will work with the citizen and the agency to find a fair solution or will recommend changes in policies or procedures to avoid subsequent problems. If a complaint is not justified, the office will explain the reasoning and the public interest implications to the citizen. This helps protect employees from unfounded criticism. The Ombudsman provides a significant role in making sure concerns are addressed, and in turn, helps to avoid more costly conflicts. The office is committed to increasing trust in local government.

INDEPENDENT POLICE REVIEW

The Independent Police Review (IPR) division within the Office of the City Auditor was established July 1, 2001. The division oversees the acceptance and resolution of citizen complaints about police and develops recommendations to improve the Portland Police Bureau.

While the Police Bureau retains primary authority for investigating complaints, the staff of the IPR receives the initial complaints, reviews police investigative findings, monitors and reports on complaint status, and conducts independent investigations when warranted. A Citizen Review Committee, appointed by City Council, reviews and decides on citizen appeals of investigation findings. The Committee also reviews complaint trends and advises the Police Bureau on ways to improve practices that contribute to citizen complaints.

The office has the authority to initiate independent investigations using staff or contract employees if the Director believes that the Police Bureau investigation might not be timely, thorough, complete or sufficiently fair. IPR will prepare frequent public reports on the status and resolution of citizen complaints. This division is implementing an ongoing outreach program to inform citizens and police officers of the operation of the complaint handling system. Evaluation surveys are distributed regularly to monitor customer service goals. The Auditor has received City Council approval to hire an outside expert to review officer involved shootings and in custody deaths and to make policy recommendations.

AUDIT SERVICES

The mission of Audit Services is to promote honest, efficient, effective and fully accountable City government. The program addresses this mission by conducting independent audits and analyses that provide objective information to City officials, management and the public. The program also prepares the annual Service Efforts and Accomplishments Report which includes the City Auditor's Citizen Survey.

Performance and financial audit reports identify savings and revenue enhancements, strengthen management controls and improve the efficiency and effectiveness of City government operations. Since 1985, the Audit Services program has issued over 135 reports and identified over \$17.6 million in measurable financial benefits to the City. Bureaus have implemented or are in the process of implementing over 85% of audit report recommendations.

CITY RECORDER

The City Recorder program develops, maintains and provides accurate and objective documentation of City business and acts as an information clearinghouse for the Council, bureaus and the public. This program is implementing an electronic records management program that allows easy access to citywide information.

Council Clerk/ Contracts

As Clerk of the Council, the City Recorder program is responsible for preparing the Council agenda, processing City ordinances and resolutions, and transcribing the official summary minutes of Council meetings. The division maintains the official copy of the Portland City Code, City Charter, Portland Policy Repository, and coordinates the publishing of the City Code in paper, CD Rom and on-line. The City Recorder division also receives accounting documents, contracts and data from other bureaus and provides this information to the public and other City bureaus as requested. Through this division, the City Auditor gives final approval to all claims for payment against the City, disburses payments, and maintains current files of all City contracts.

Records Management/ Archives

The Archives and Records Management program is responsible for semi-current and inactive records storage, confidential destruction, preservation of historical records, and provision of reference and retrieval services for the general public and city employees at the Stan Parr Archives and Records Center (SPARC). This program develops and distributes retention and disposal schedules for all City agencies and negotiates retention periods and policy disclosure statutes in cooperation with the Oregon State Archives. This program assists the elected officials in managing their public records legally and efficiently and is committed to documenting and preserving evidence of City actions and City government history. In addition, Records/Archives is responsible for maintaining the City's historical records and provides expertise concerning City records issues.

LIENS & ASSESSMENTS

The Assessment and Liens program helps plan and finance local improvement projects, assist in code enforcement efforts and provide low-cost financing to property owners for street, sewer and sidewalk improvements. This program oversees the LID Construction Fund, the Bancroft Bond Fund and the Assessment Collection Fund. This program is responsible for the legal lien notifications of the City, maintaining the City's official electronic lien docket as required by state law, and the billing and collection of current and delinquent installment payment assessments.

Program Revenues

The program is entirely funded through fees and charges paid by property owners and, to a limited extent, interagency revenues from the Office of Transportation, and the Bureau of Environmental Services.

In FY 2000-01, over \$11.5 million in liens receivable was collected on City assessments for street, sewer and sidewalk improvements and code enforcement efforts. New accounts created that year totalled 2,629 with a total assessed value of over \$4.9 million. There are currently 11,000 active accounts, with a total value of over \$40 million. It is anticipated that assessment and collection activity will increase significantly in the ensuing year with the assessment of the Portland Streetcar and Lents improvement projects.

The division's assessment portfolio includes Transportation, the Bureaus of Parks, and Environmental Services SDCs; Local Improvement District assessments; nuisance abatement, derelict building, code violation, and demolition assessments; sidewalk assessments; and the private plumbing loan program. Also the LID program has been utilized to finance speed bumps, street lighting, and, in part, the Portland Streetcar and various pedestrian access improvements.

Future Issues

As the City seeks to implement Metro 2040 goals and address a large backlog of infrastructure needs, it is anticipated there may be greater reliance on the Local Improvement District process to finance infrastructure development creatively.

FIRE & POLICE DISABILITY & RETIREMENT FUND

This program manages the City's Fire and Police Disability and Retirement System, which was authorized by the voters in 1948 and revised by them in 1989. This program is supported by the proceeds of a continuing property tax levy authorized in 1948. Program personnel support the fund's board of trustees, advise and assist members of the retirement system, provide claims management service, prepare payments for members of the system and their survivors, and manage the Employee Assistance Program for the Fire and Police bureaus.

Revisions

The revision of this program, authorized by voters in 1989, significantly affected the way this program does business. The revisions emphasized rehabilitation and return to work of disabled personnel, limited claims due to stress, and changed the list of work-related injuries. These changes, particularly those affecting disability eligibility and return to work, require a more active role of staff in investigating and processing claims and greatly increase the need to counsel members on eligibility requirements and program options.

Budgeted Costs

This program includes only the personnel costs of managing the Fire and Police Disability and Retirement System. The Auditor's Office is fully reimbursed for these costs through an interagency service agreement. All other costs are budgeted directly in the Fire and Police Disability and Retirement Fund.

HEARINGS OFFICERS

The City's Hearing Officers are a vital and integral part of the Land Use and Code Enforcement processes. The Hearings Officers program encompasses two hearings functions: Land Use and City Code.

- Land Use** The Land Use Hearings Officer is responsible for holding public hearings and making decisions to allow or deny land use permits. Public hearing process and timelines for decision-making are strictly governed by state law and the City Code. The Land Use Hearings Officer provides a public process for review of land use permit applications and ensures that Land Use applications are reviewed in a fair and open process and that the decisions are legally supportable.
- City Code** The Code Hearings Officer provides a means of fair and efficient enforcement of City Code requirements. The appeal functions of the Code Hearings Officer ensure administrative determinations of the various bureaus are legally supportable, fair and appropriate by allowing parties an opportunity to obtain an impartial review of those determinations and decisions.
- The Code Hearings Officer enforces the City Code in proceedings initiated by the Office of Planning and Development Review (OPDR), the Bureau of Environmental Services (BES), and the Bureau of Fire, Rescue and Emergency Services. The Code Hearings Officer also hears appeals from code enforcement determinations made by OPDR, the Police Bureau, the Licenses Bureau, and BES and hears appeals of all vehicle tows. Drug-Free Zone, Prostitution Free Zone, Park Exclusions, and Adult Care Facility appeals are also heard by the Office.
- Program Revenues** The Hearings Officers program is partially supported by fees, interagency service agreements and intergovernmental contracts. Fees are charged for the program's services to the Land Use Program of the Bureau of Planning and the Code Enforcement and Neighborhood Improvement Programs of OPDR. Costs for code appeal hearings are recovered either by interagency service agreements or intergovernmental contracts.

MANAGEMENT SERVICES

The Management Services Division provides leadership and support for all activities of the Auditor's Office. These functions include budgeting, accounting, human resource and payroll matters, purchasing and supplies, and information technology systems. The division monitors problem-solving efforts throughout the office and serves as a contact point for other agencies in the City.

Elections and City Code

This program is also responsible for overseeing the election processes for the City and maintaining the City Code. Staff receive, process, and file all declarations of candidacy for City office; contributions and expenditure reports; initiative, referendum, and recall petitions; and Council originated ballot measures.

The division supports all functions of the Auditor's Office to ensure good management of the operational programs.

PROGRESS BOARD

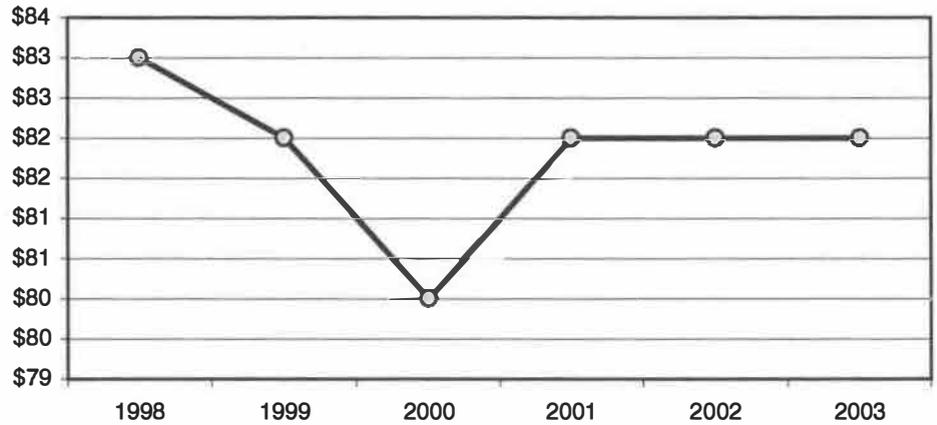
This program provides research and technical assistance to the Portland Multnomah Progress Board. The Board's staff maintain trend data on over 60 benchmarks on its web site and produce in-depth benchmark analyses. The staff also have Census Affiliate status and provide technical assistance to City and County agencies regarding demographic data.

The Portland Multnomah Progress Board was established in 1994 and funded jointly by the City and Multnomah County to identify and report on indicators (benchmarks) which collectively gauge whether the community is meeting its goals and vision for the future. These benchmarks measure the livability of the community, environmental concerns, education system concerns, and the shift to a world economy. The local government, business, and educational leaders who serve on the board track major trends in the community and act as a catalyst for performance improvements as gauged by the benchmarks.

Performance Measures

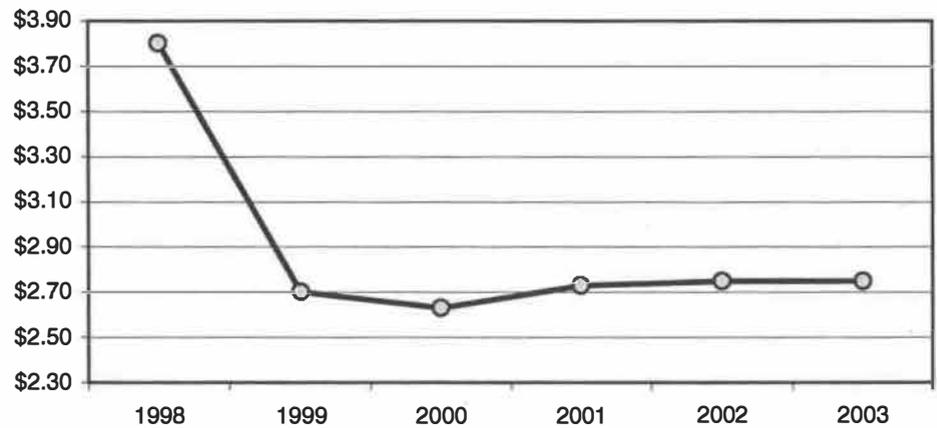
Full cost per Audit Hour

- ◆ The full costs per Audit Hour have decreased since FY 1997.



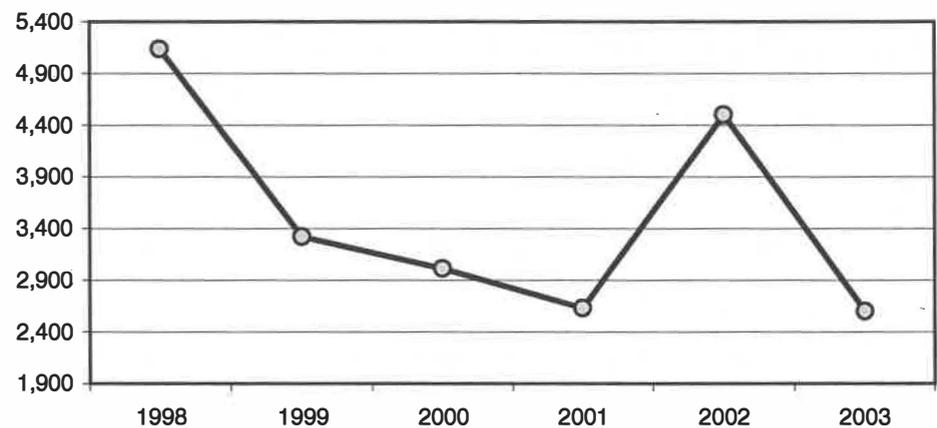
Direct Cost per Retrieval and Delivery of Record

- ◆ Direct costs have decreased since FY 1996.



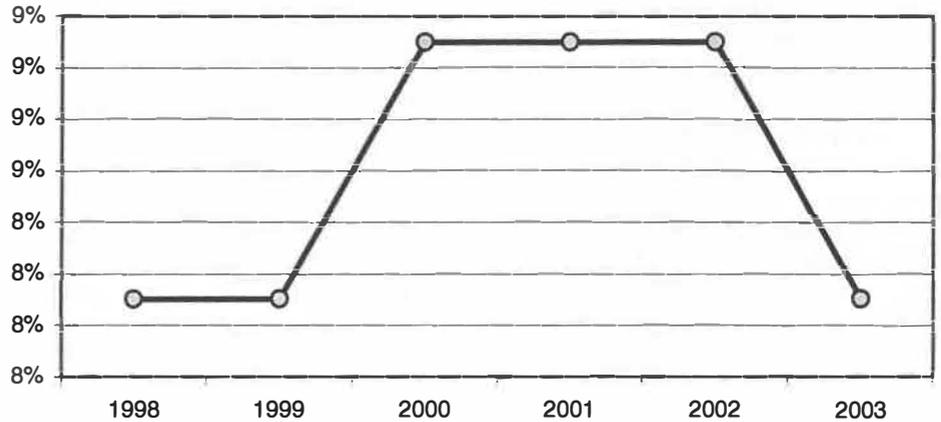
New Liens Recorded

- ◆ The number of new liens recorded has fluctuated since FY 1997 due to special projects, such as the Central City Streetcar.

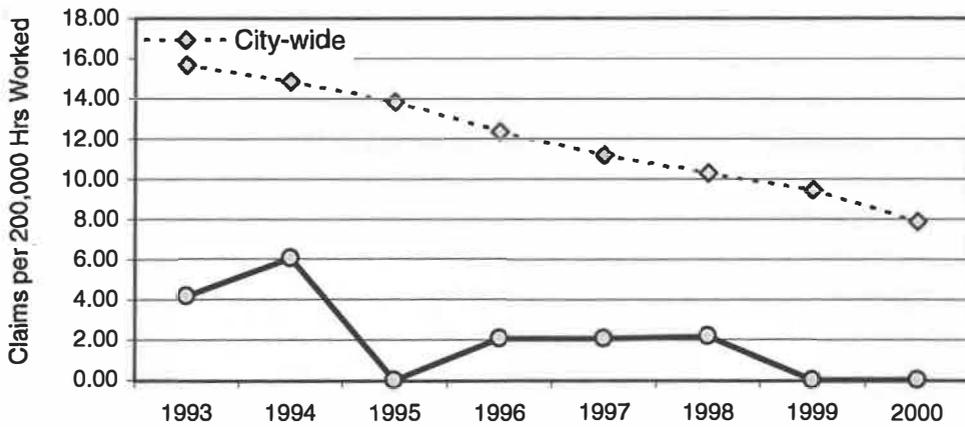


Administrative Costs as a % of Total Budget

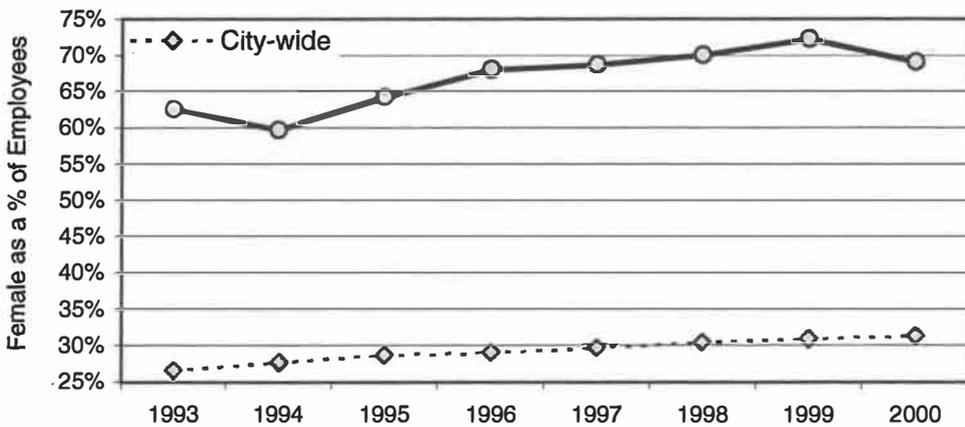
◆ Administrative costs have consistently remained under 10% of the total budget.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF THE CITY AUDITOR						
Affirmative Action Measures						
Affirmative Action - Minority	16.0%	15.7%	13.7%	17.9%	16.9%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	68.0%	70.6%	68.6%	60.7%	61.0%	
Female Employees as a Percent of Total						
Office of the City Auditor						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	2.15	0.00	0.00		
Worker's Comp Claims per 200,000 Hours Worked	2.08	2.15	0.00	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.07	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.04	\$0.69	\$0.00	\$0.00		
Ombudsman Office						
Workload						
Number of cases opened					200	200
Effectiveness						
Percentage of citizens who are satisfied or very satisfied with the service they received					80%	80%
Efficiency						
Percentage of cases closed within 30 days					50%	50%
Audit Services						
Workload						
Number of reports issued	7	9	9	9	9	9
Effectiveness						
Percent of report recommendations implemented -- Goal is 90%	86%	85%	85%	90%	90%	90%
Efficiency						
Full cost per Audit Hour	\$83	\$82	\$80	\$82	\$82	\$82
City Recorder						
Workload						
Number of checks/deposit advices processed	203,100	177,755	221,331	223,100	230,300	232,000
Record & Center Retrieval Requests	46,776	44,884	56,724	45,000	45,000	46,000
Efficiency						
Direct cost per retrieval and delivery of record from Records Center	\$3.80	\$2.70	\$2.63	\$2.73	\$2.75	\$2.75
Liens & Assessments						
Workload						
New Liens Assessed	5,136	3,320	3,013	2,629	4,500	2,600
Effectiveness						
Total # of Liens Delinquent	7,754	7,053	6,442	5,931	5,850	5,800
Efficiency						
# of Delinquent Accounts Per Staff	1,051	901	794	593	650	644
Fire & Police Disability & Retirement Fund						
Workload						
Performance measurements are reported in the FPD&R budget						

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Hearings Officers						
Workload						
Code Proceedings filed	290	243	205	220	238	240
Management Services						
Effectiveness						
Percent of City Auditor performance measures fully achieved -- Goal 100%	98%	99%	100%	100%	100%	100%
Efficiency						
Administrative Costs under 10% of total budget	8%	8%	9%	9%	9%	8%
Progress Board						
Workload						
Number of Benchmark Audits issued		1	2	2	2	2
Effectiveness						
Number of organizations that added benchmarks to their accountability systems, assisted by the Progress Board		2	4	4	4	4

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	3,542,914	3,605,460	4,343,463	4,690,316	4,690,316
External Materials and Services	377,527	354,700	793,955	846,384	802,950
Internal Materials and Services	776,877	850,102	1,118,598	1,146,325	1,146,325
Minor Capital Outlay	14,010	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	4,711,328	4,810,262	6,256,016	6,683,025	6,639,591
Capital Improvements	0	114,116	184,239	0	0
TOTAL BUREAU EXPENDITURES	\$ 4,711,328	\$ 4,924,378	\$ 6,440,255	\$ 6,683,025	\$ 6,639,591
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	4,711,328	4,924,378	6,440,255	6,683,025	6,639,591
RESOURCES					
General Fund Discretionary	1,231,339	1,174,076	2,292,249	2,319,818	2,418,714
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	104,758	81,615	91,813	91,813	91,813
Interagency Revenues	1,861,537	1,936,525	2,271,473	2,561,226	2,415,226
Program Revenue	93,944	125,164	141,088	133,066	133,066
Overhead Recovery	1,416,443	1,606,998	1,643,632	1,577,102	1,580,772
Total Non-Discretionary Revenues	3,476,682	3,750,302	4,148,006	4,363,207	4,220,877
TOTAL GENERAL FUND RESOURCES	4,708,021	\$ 4,924,378	\$ 6,440,255	\$ 6,683,025	\$ 6,639,591
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Ombudsman Office	0	53,490	234,999	255,251	255,251
<i>Positions</i>	0	0	3	3	3
Independent Police Review	0	51,888	509,136	589,005	589,005
<i>Positions</i>	0	0	7	7	7
Audit Services	965,918	955,467	1,072,839	1,101,350	1,203,916
<i>Positions</i>	9	9	9	9	9
City Recorder	862,912	1,049,805	1,173,025	1,067,909	1,067,909
<i>Positions</i>	11	12	12	12	12
Liens & Assessments	1,152,188	1,073,796	1,191,083	1,228,870	1,228,870
<i>Positions</i>	16	14	13	12	12
Fire & Police Disability & Retirement	638,355	728,629	823,576	974,850	974,850
<i>Positions</i>	9	10	12	12	12
Hearings Officers	511,819	444,582	525,444	520,219	520,219
<i>Positions</i>	5	5	5	5	5
Management Services	404,751	436,153	723,129	747,594	601,594
<i>Positions</i>	4	6	3	3	3
Progress Board	175,385	130,568	187,024	197,977	197,977
<i>Positions</i>	2	2	2	2	2
TOTAL PROGRAMS	\$ 4,711,328	\$ 4,924,378	\$ 6,440,255	\$ 6,683,025	\$ 6,639,591
<i>Positions</i>	56	58	66	65	65
<i>General Fund Discretionary Positions</i>	13	15	19	19	19

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,090,024	2,180,569	3,135,247	3,389,021	3,389,021
512000 Part-Time Employees	157,196	131,313	95,238	87,571	87,571
514000 Overtime	693	707	800	800	800
515000 Premium Pay	2,433	711	2,250	2,250	2,250
517000 Benefits	910,628	895,399	1,109,928	1,210,674	1,210,674
518000 Paid Absence	381,940	396,761	0	0	0
Total Personnel Services	3,542,914	3,605,460	4,343,463	4,690,316	4,690,316
Materials and Services					
External Materials and Services					
521000 Professional Services	223,159	298,530	563,165	437,884	460,450
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	9,864	4,659	35,811	46,457	46,457
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	16,292	28,070	90,991	123,134	87,134
531000 Office Supplies	14,190	11,702	39,890	41,247	41,247
532000 Operating Supplies	44,922	52,957	157,197	119,314	89,314
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	30,141	31,379	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	13,215	11,914	25,470	26,337	26,337
542000 Local Travel	988	877	3,267	3,377	3,377
543000 Out-of-Town Travel	17,445	14,287	21,421	22,150	22,150
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	2,026	1,500	1,500
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	7,311	6,086	38,956	24,984	24,984
Total External Materials and Services	377,527	460,461	978,194	846,384	802,950
Internal Materials and Services					
551000 Fleet Services	1,885	1,760	1,854	2,369	2,369
552000 Printing & Distribution	123,542	99,842	110,598	118,706	118,706
553000 Facilities Services	303,561	348,103	354,993	359,774	359,774
554000 Communications Services	54,993	53,331	57,244	64,844	64,844
555000 Data Processing Services	236,078	279,451	465,462	468,636	468,636
556000 Insurance	56,018	66,715	65,668	67,313	67,313
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	800	900	58,979	64,683	64,683
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	776,877	850,102	1,114,798	1,146,325	1,146,325
Total Materials and Services	1,154,404	1,310,563	2,092,992	1,992,709	1,949,275
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	14,010	8,355	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	14,010	8,355	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	3,800	0	0
TOTAL BUREAU EXPENSES	\$ 4,711,328	\$ 4,924,378	\$ 6,440,255	\$ 6,683,025	\$ 6,639,591

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	1	1	1	38,438	1	42,825	1	42,825
516	Accountant III	1	1	1	50,461	1	53,933	1	53,933
819	Administrative Assistant	3	3	4	167,589	4	193,926	4	193,926
815	Administrative Specialist	3	2	0	0	0	0	0	0
3212	Assessment Analyst	1	1	0	0	0	0	0	0
950	Assistant Management Analyst	0	0	1	44,346	1	44,824	1	44,824
962	Assistant Program Specialist	2	3	7	317,419	7	339,180	7	339,180
844	Assistant Risk Specialist	1	2	3	113,585	3	150,951	3	150,951
928	Bureau Administrative Manager	1	1	1	76,296	1	82,245	1	82,245
3	City Auditor	1	1	1	75,878	1	78,384	1	78,384
859	Claims Technician	1	1	2	53,931	2	75,862	2	75,862
858	Claims Technician, Assistant	1	1	1	29,627	1	32,788	1	32,788
7492	Community Relations Specialist	0	0	1	42,099	1	49,757	1	49,757
131	Customer Accounts Specialist I	6	5	5	165,860	5	171,364	5	171,364
541	Deputy City Auditor	1	1	1	66,061	1	68,236	1	68,236
538	Director Of Audits	1	1	1	85,384	1	88,197	1	88,197
827	Financial Analyst	1	1	1	44,939	1	48,967	1	48,967
245	Hearings Clerk	3	3	3	128,853	3	134,802	3	134,802
935	Hearings Officer	2	2	2	141,903	2	146,976	2	146,976
2544	Information Systems Analyst IV	1	1	0	0	0	0	0	0
2523	Information Systems Tech II	0	1	0	0	0	0	0	0
716	Legal Advisor	1	1	1	87,810	1	94,593	1	94,593
536	Management Auditor	3	3	3	146,183	3	156,425	3	156,425
100	Office Support Specialist I	1	1	1	31,096	1	32,113	1	32,113
102	Office Support Specialist II	2	2	3	97,833	2	66,497	2	66,497
104	Office Support Specialist III	3	3	2	76,322	2	76,884	2	76,884
966	Program Coordinator	2	2	2	117,021	2	122,868	2	122,868
968	Program Manager I	0	0	0	0	1	52,826	1	52,826
970	Program Manager II	2	3	4	229,668	4	264,426	4	264,426
964	Program Specialist	2	2	2	104,317	2	114,283	2	114,283
960	Program Technician	0	0	1	32,594	1	39,923	1	39,923
450	Records Center Specialist	0	0	2	56,732	2	61,105	2	61,105
850	Risk Supervisor	1	1	1	68,999	1	71,848	1	71,848
816	Senior Administrative Specialist	2	2	2	74,256	1	43,034	1	43,034
537	Senior Management Auditor	6	6	6	369,747	6	388,979	6	388,979
TOTAL FULL-TIME POSITIONS		56	58	66	\$ 3,135,247	65	\$ 3,389,021	65	\$ 3,389,021

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	6,689,571	0	6,689,571	66.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	0	35,000	35,000	0.0	Business Survey
	(162,973)	0	(162,973)	(1.0)	Program Reduction
	(22,808)	0	(22,808)	0.0	OMF Internal service cuts- sum of savings
	14,574	0	14,574	0.0	City Hall Security
	(1,531)	0	(1,531)	0.0	Facilities BOMA Adjustment
	2,291	0	2,291	0.0	OMF-HR Cost Pool Adjustment
	(535)	0	(535)	0.0	OMF BHR Training Reduction
	(15,187)	0	(15,187)	0.0	OMF Internal Services Cuts-GF Savings
	(1,020)	0	(1,020)	0.0	Facilities BOMA Adjustment
	(357)	0	(357)	0.0	OMF BHR Training Reduction
	0	146,000	146,000	1.0	Lien Collection Interagency with LID
Approved Budget Additions and Reductions	0	0	0	0.0	0
Adopted Budget Additions and Reductions					
	0	(146,000)	(146,000)	(1.0)	Lien Collection Interagency with LID
	0	102,566	102,566	0.0	Funding for Audit
	(187,546)	137,566	(49,980)	(1.0)	Total FY 2002-03 Decision Packages
			\$ 6,639,591	65.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted					
	30,000	0	30,000	0.0	Closed Captioning-grant replacement
	0	(145,790)	(145,790)	(1.0)	General Fund to support collection of liens.
			\$ (115,790)	(1.0)	Total Decision Packages Not Accepted



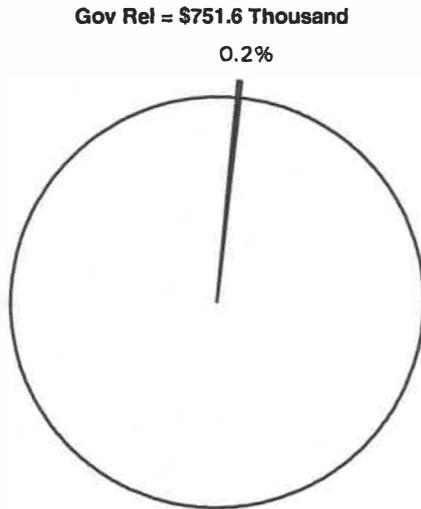
Office of Government Relations

Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

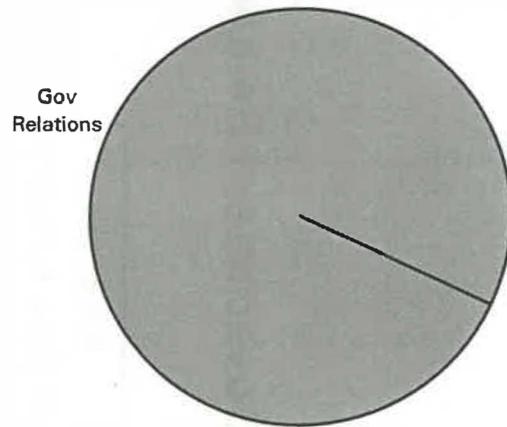
Marge Kafoury, Director

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs

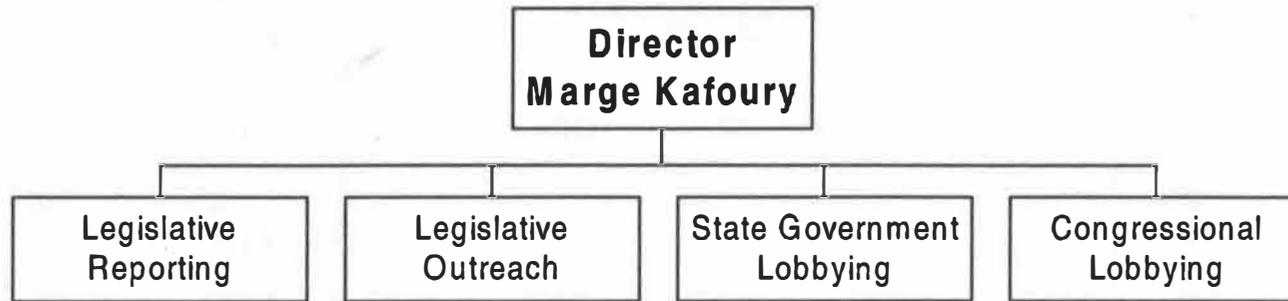


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	725,481	751,627	26,146	-2.0%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 725,481	\$ 751,627	\$ 26,146	-2.0%
Authorized Full-Time Positions	4	5	1	18.2%

Note: Per capita change values are adjusted for inflation and population growth.

Office Of Government Relations



Bureau Summary

BUREAU OVERVIEW

Organizational Description

The Office of Government Relations provides government representation for all City bureaus and offices, the Mayor, and members of the City Council in advancing City objectives with the Congress, the State Legislature and other governments. The office also provides assistance to City Council members in achieving their outlined goals and objectives.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Program Overview

The Adopted Budget provides for representation of City Council issues by Government Relations in advancing City objectives with local and State government, and the United States Congress. Government Relations continues to administer the City's Washington, D.C. lobbying contract. Government Relations will continue working to enhance and improve the Legislative Tracking System, incorporating suggestion from bureaus to make it easier to use. Government Relations is continuing the Council-directed outreach with the Oregon Legislative delegation throughout the state. The office provides information and help with grants and appropriations for the City, monitors federal initiatives, and is liaison with national member associations.

The Adopted Budget reflects a legislative session year for Government Relations. The office in Salem will be open and staff will be spending more than six months in Salem lobbying on the City's behalf and will continue its efforts in Washington, D.C. to advance the Council's goals.

Government Relations will develop the 2003 Legislative Session package for Council approval.

SUMMARY OF BUDGET DECISIONS

Expenditures in the Adopted Budget reflects a legislative session year for Government Relations. The office in Salem will be open, and staff will spend more than six months in Salem lobbying on the City's behalf.

Funding in FY 2002-03 supports staff travel to Washington, D.C. to lobby for increased appropriations to advance the Council's goals. Staff will also continue to travel around the state to further the Council Outreach Program with legislators outside the city of Portland legislative delegation area. Staff will continue regular meetings with the Portland area delegation as well.

FUNDING SOURCES

Government Relations is funded by General Fund discretionary and overhead resources. Additionally three Interagency agreements help fund the office's Washington, D.C. lobbying contract.

BUDGET NOTES

Lobbying Contract

The office of Government Relations will continue to contract for lobbying services in Washington, D. C. Any decisions by the Office of Government Relations to terminate the contract for these services will be undertaken in consultation with the bureaus providing funds for that contract: Water, BES and PDOT. Termination of the lobbying contract will also terminate the interagency agreement between the affected bureaus.

Strategic Direction

MANAGEMENT GOALS & OBJECTIVES

Long-Term Goals The Office of Government Relations will continue with the Council Outreach Program and endeavor to establish and enhance working relationships with other jurisdictions located around the State.

Management Objectives for FY 2002-03 Government Relations will continue working with Oregon's Congressional Delegation on issues relative to the economic vitality of the city of Portland. The Office will also maintain the City's working relationships with legislators in keeping them apprised of City issues and areas of concern throughout the State. We will also be representing the City of Portland at the 2003 Legislative Session.

COUNCIL PRIORITIES

Council Issues and Priorities The Office of Government Relations works for the entire City Council. Their goals become the goals of the Office.

Government Relations currently works and will continue to work with Congress and the Legislature to advance Council goals which include but are not limited to:

- ◆ Affordable Housing
- ◆ Growth Management
- ◆ Support for Education Funding
- ◆ Economic Development
- ◆ Financial Stability for the City
- ◆ Adequate Funding for Police Officers and Public Safety Programs
- ◆ Clean Air and Water Quality
- ◆ Viable Transportation Systems
- ◆ Partner with State Legislators Outside Portland Area
- ◆ Funding for a Vital Central City

Overview of Programs

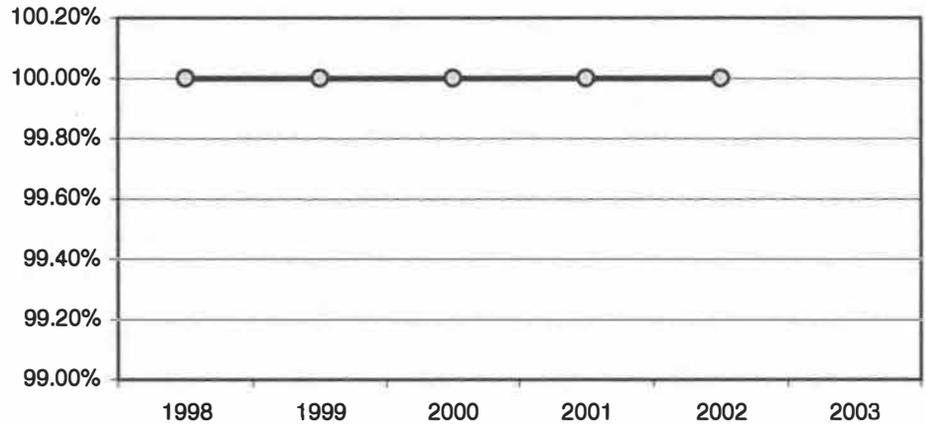
GOVERNMENT RELATIONS

The Office of Government Relations supports government representation for the mayor and members of the City Council in advancing City objectives with the Congress, State Legislature and local government agencies. The office supports the Council and assists them with their goals and objectives. Government Relations also administers the Washington, D.C. lobbying contract. The contract provides for full staffing and support for visiting city officials. Contractors for the Office of Government Relations who are located in Washington, D.C. also provide information and assistance with grants and appropriations for the City, monitor federal initiatives, and are a liaison with national member associations.

Performance Measures

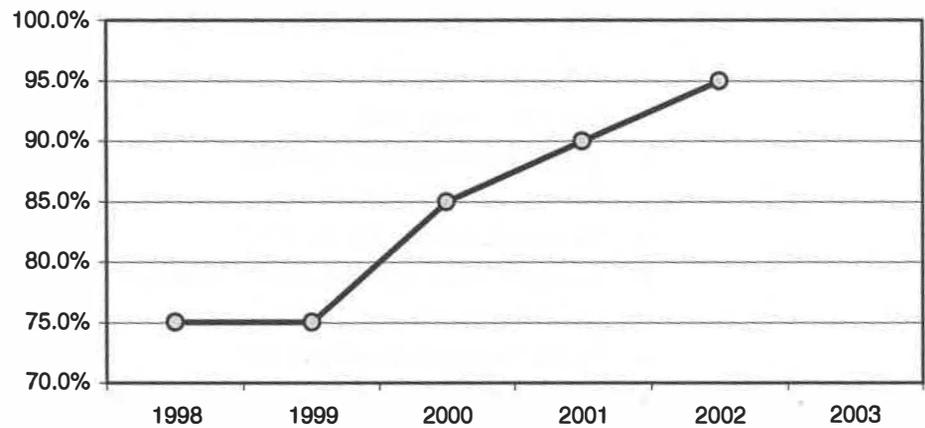
Representation at Legislature

- ◆ The Office of Government Relations will produce a Legislative Package before Legislative Sessions, and a Legislative Report after Sessions.



Legislative Outreach

- ◆ Government Relations will conduct outreach efforts with non-Portland Legislators during Legislative Interims.



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF GOVERNMENT RELATIONS						
Affirmative Action Measures						
Affirmative Action - Minority	0.0%	0.0%	0.0%	0.0%	0.0%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	75.0%	75.0%	75.0%	75.0%	75.0%	
Female Employees as a Percent of Total						
Government Relations						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Worker's Comp Claims per 200,000 Hours Worked	0.00	0.00	0.00	0.00		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.00	\$0.00		
Government Relations						
Workload						
Legislative Reporting	100.00%	100.00%	100.00%	100.00%	100.00%	
Legislative Outreach	75.0%	75.0%	85.0%	90.0%	95.0%	

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	372,940	407,417	374,161	425,523	425,523
External Materials and Services	234,118	152,803	240,189	224,696	224,696
Internal Materials and Services	64,706	120,952	111,131	101,408	101,408
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	671,764	681,172	725,481	751,627	751,627
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 671,764	\$ 681,172	\$ 725,481	\$ 751,627	\$ 751,627
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	671,764	681,172	725,481	751,627	751,627
RESOURCES					
General Fund Discretionary	263,691	283,196	316,842	344,569	319,438
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	41,970	43,390	43,390	43,390	43,390
Program Revenue	0	0	0	0	0
Overhead Recovery	366,103	354,586	365,249	363,668	388,799
Total Non-Discretionary Revenues	408,073	397,976	408,639	407,058	432,189
TOTAL GENERAL FUND RESOURCES	671,764	\$ 681,172	\$ 725,481	\$ 751,627	\$ 751,627
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Government Relations	671,764	681,172	725,481	751,627	751,627
<i>Positions</i>	<i>4</i>	<i>5</i>	<i>4</i>	<i>5</i>	<i>5</i>
TOTAL PROGRAMS	\$ 671,764	\$ 681,172	\$ 725,481	\$ 751,627	\$ 751,627
<i>Positions</i>	<i>4</i>	<i>5</i>	<i>4</i>	<i>5</i>	<i>5</i>
<i>General Fund Discretionary Positions</i>	<i>4</i>	<i>5</i>	<i>4</i>	<i>5</i>	<i>5</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	238,944	255,856	279,219	306,847	306,847
512000 Part-Time Employees	1,812	9,900	0	10,472	10,472
517000 Benefits	93,258	101,171	94,942	108,204	108,204
518000 Paid Absence	38,926	40,490	0	0	0
Total Personnel Services	372,940	407,417	374,161	425,523	425,523
Materials and Services					
External Materials and Services					
521000 Professional Services	182,400	112,800	155,000	150,400	150,400
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	4,000	1,500	1,500
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	0	0	3,000	0	0
531000 Office Supplies	2,868	2,328	4,500	3,500	3,500
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	1,745	70	3,319	8,000	8,000
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	3,213	4,763	3,500	3,000	3,000
541000 Education	530	120	0	0	0
542000 Local Travel	3,466	3,820	8,500	7,800	7,800
543000 Out-of-Town Travel	12,628	6,758	16,000	12,000	12,000
544000 Space Rental	8,813	0	20,000	9,800	9,800
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	18,455	22,144	22,370	28,696	28,696
Total External Materials and Services	234,118	152,803	240,189	224,696	224,696
Internal Materials and Services					
551000 Fleet Services	6,239	21,932	0	14,700	14,700
552000 Printing & Distribution	3,411	2,995	3,643	3,750	3,750
553000 Facilities Services	26,019	26,253	27,569	28,367	28,367
554000 Communications Services	12,091	11,656	11,107	10,923	10,923
555000 Data Processing Services	8,314	47,412	54,309	30,323	30,323
556000 Insurance	8,632	10,704	10,500	10,809	10,809
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	4,003	2,536	2,536
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	64,706	120,952	111,131	101,408	101,408
Total Materials and Services	298,824	273,755	351,320	326,104	326,104
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 671,764	\$ 681,172	\$ 725,481	\$ 751,627	\$ 751,627

Office of Government Relations AU 303

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
230	Administrative Secretary	0	1	0	0	1	18,432	1	18,432
807	Government Relations Assistant	1	1	1	51,126	1	52,806	1	52,806
810	Government Relations Director	1	1	1	94,598	1	97,718	1	97,718
808	Government Relations Lobbyist	2	2	2	133,495	2	137,891	2	137,891
TOTAL FULL-TIME POSITIONS		4	5	4	\$ 279,219	5	\$ 306,847	5	\$ 306,847

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	756,571	0	756,571	5.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(4,712)	0	(4,712)	0.0	OMF Internal Service cuts- Sum of savings
	(315)	0	(315)	0.0	Facilities BOMA Adjustment
	(1,763)	0	(1,763)	0.0	OMF-Cost Pool Adjustment
	1,904	0	1,904	0.0	City Hall Security
	(58)	0	(58)	0.0	OMF BHR Training Reduction
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	(4,944)	0	(4,944)	0.0	Total FY 2002-03 Decision Packages
			\$ 751,627	5.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Accepted	(52,251)	0	(52,251)	0.0	Adjust Wash. D.C. contract and BIT Interagency
			\$ 0	0.0	Total Decision Packages Not Accepted

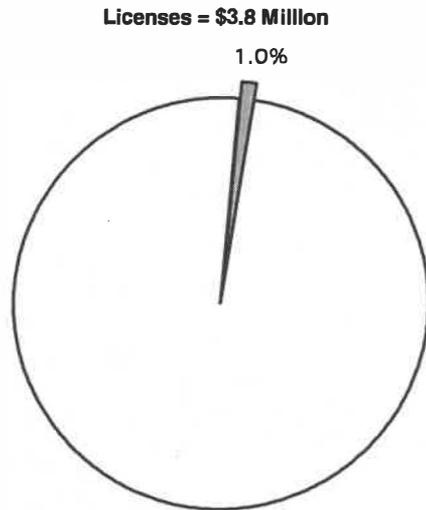
Bureau of Licenses

Legislative, Administrative and Support Services Service Area

Jim Francesconi, Commissioner-in-Charge

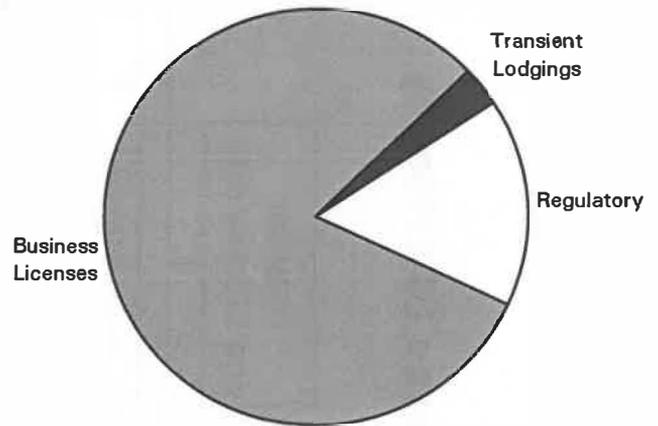
Jim Wadsworth, Director

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs

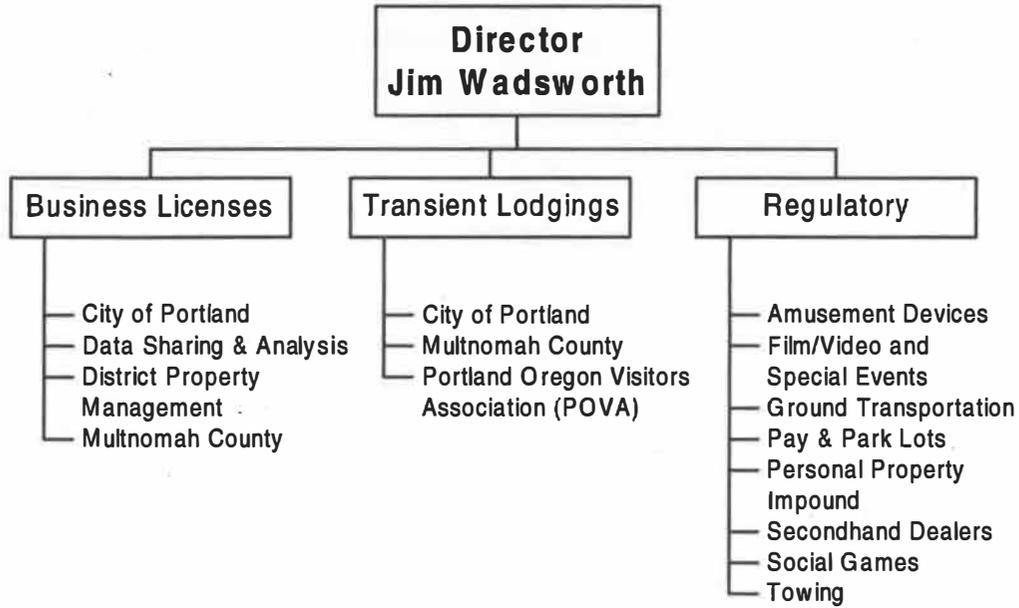


Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	3,649,383	3,773,814	124,431	-2.2%
Capital	0	0	0	0.0%
Allocated Overhead Costs	260,202	232,841	-27,361	-15.4%
Total Cost with Allocated Overhead	\$ 3,909,585	\$ 4,006,655	\$ 97,070	-3.1%
Authorized Full-Time Positions	39	38	-1	-7.9%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Of Licenses



Bureau Summary

BUREAU MISSION

Help create an environment in which people in our neighborhoods, businesses, government and other agencies work together through common sense licensing, regulation, and revenue collection to promote public safety, support business, and enhance the livability and economic vitality of Portland and surrounding communities.

VISION AND VALUES

Values

The Bureau of Licenses is committed to the following values as a means to accomplish its assigned mission:

- ◆ **Innovation:** Actively seeking better ways to solve problems and provide services.
- ◆ **Flexibility:** Being adaptable to changes in how we do our jobs.
- ◆ **Quality Service:** Being courteous, friendly, caring, accurate, efficient, timely, respectful and accessible to customers and co-workers.
- ◆ **Diversity:** Being equitable, inclusive and respectful of different cultures, languages and the unique nature of individuals.
- ◆ **Professionalism:** Having integrity and honesty, and being well trained and competent, helpful, knowledgeable, respectful, hard working, and conscientious.

BUREAU OVERVIEW

Organizational Description

The bureau has programs in three major areas:

Revenue Collection

The revenue collection program area includes the Business License program through which the consolidated Portland business license/Multnomah County business income tax is collected. This area also includes the transient lodgings, business property management license, various regulatory program licenses, and liquor license applications.

Event Coordination

The bureau permits and coordinates with other bureaus, jurisdictions and agencies special events such as parades and runs, film and video projects, public marches and demonstrations, and other similar types of events within the city limits under applicable City ordinances and regulations.

Business Regulation

Licenses administers multiple regulatory programs which monitor the activities of towing, personal property impounds, for hire ground transportation, pay and park lots, second-hand dealers, amusement devices and social games.

HIGHLIGHTS OF PROGRAMS AND SERVICES

Overview

The major focus of the Bureau of Licenses is to identify, license, process and validate tax returns, collect license and tax payments, and audit a variety of license and regulatory fees and taxes paid by citizens, visitors and businesses in the city of Portland and Multnomah County, and national and international businesses doing business in Portland and/or Multnomah County.

Operations

To meet this objective, the bureau will continue to incorporate information technology to automate many functions and improve the response time, accuracy, quality, consistency, and cost effectiveness of customer and client services. An example is the recently developed business portal, [WWW : BUSINESSINPORTLAND . ORG](http://WWW.BUSINESSINPORTLAND.ORG), developed in partnership with Oregon Economic and Community Development Department to provide businesses, citizens, and other jurisdictions and agencies information and access to government services.

The bureau has continued to implement process improvements and expand use of quality management and performance measurement tools within the bureau's operational and strategic management efforts. The bureau has been functionally realigned and has adopted a management matrix which spans functions, programs and processes. The realignment also allows for more flexibility in workforce deployment and workload management and further increases in productivity and internal capacity.

During FY 2002-03 the bureau will:

- ◆ Continue to expand the capabilities of the Business License Information System (BLIS) to improve productivity, data accessibility and enhancement, and saleable client services;
- ◆ Use the Internet to enhance filing for tax and fee payers;
- ◆ Continue efforts to develop electronic filing and funds transfer capabilities through BLIS and e-commerce;
- ◆ Complete the initial development and enhancement of the City Internet business portal for referral to existing services available from the City, County, State, and not-for-profits, and information on how to begin doing business in Portland; and
- ◆ Transition the City Internet business portal to the Portland Development Commission Small Business Support program.

Total Revenue Collection

In FY 2002-03, the bureau will collect an estimated \$108 million in revenues for the City, Multnomah County and other agencies.

SUMMARY OF BUDGET DECISIONS

There are two significant changes from the prior year's budget.

Enhance Revenue Collection Capacity

Funding in FY 2000-01 allowed additional programming and development of the Business License Information System (BLIS), and the addition of three full-time and one part-time revenue-collecting employees. Administrative Service Review cuts in 2001-02 reduced the additional revenue collecting employees by 1.5 positions. The FY 2002-03 contains funding for the remaining two revenue-collecting positions.

Service Improvement Initiative Efforts

The bureau continues efforts to improve staff and organizational proficiency to better serve its many and varied customers. All management and staff are being trained in applying the principles of performance measurement, project planning and management, process improvement, activity-based costing, and resource and organizational realignment to enhance service delivery and increase interacting with and availability of information to the public and other agencies.

To increase effectiveness of these services and to better serve our diverse customers, licensees and community, the bureau is implementing a multi-year diversity plan. The purpose is to:

- ◆ Increase cultural competency levels of staff and manager.
- ◆ Increase the minority and women applicant pools from which employees are selected to better represent the community served.
- ◆ Establish partnerships with diverse organizations, associations, and groups representing minority and women-owned businesses for development of multi-language information, materials, and forms in the bureau's program areas.
- ◆ Create a more inclusive environment that celebrates the diversity of our employees, recognizes their unique differences and encourages employees to apply them in solving problems and improving customer service.
- ◆ Work closer with other bureaus and offices to identify common diversity issues and find solutions using shared resources.

FUNDING SOURCES

The majority of funding for bureau operations comes from General Fund discretionary resources, and in part represents fee revenues collected to regulate specific business activities such as the towing of vehicles requested by the City, the County or the Portland International Airport, second-hand dealers, and taxicab and other for-hire ground transportation.

Additional funding is provided by agencies outside the City that contract with the bureau to collect revenues for programs, such as Multnomah County Business Income Tax, Portland Oregon Visitors Association, and the Downtown and Lloyd Business Improvement Districts.

The bureau also partners with other jurisdictions on specific projects (e.g. the business portal) to improve service delivery and quality of services.

Strategic Direction

SIGNIFICANT ISSUES

- Economic Impact** The biggest challenge facing the Bureau of Licenses in FY 2002-03 will be maintaining service levels and revenue collection efficiency and effectiveness for the City and County during the domestic and international economic recession. Recessionary factors generally weaken revenue collections, and can add confusion and uncertainty within the overall taxation revenue base.
- Small Business Support** In cooperation with the Portland Development Commission (PDC) and members of the business community, the bureau will continue to enhance small business support through links to existing services and identifying possible new services and service delivery methods. Moreover, moving the business portal to PDC should enhance the new PDC Small Business program efforts.
- Workload** The bureau expects that audit, tax return and collection, customer service, and IT support staff will face increased workloads in helping customers comply with requirements of the bureau's programs. However, as processes are further streamlined and re-engineered, and computer technology is used to perform more routine functions, staff should pursue tax return productivity gains, improve handling of exceptions, and improve revenue collections.
- There will also be increased costs in the Taxi program to regulate executive cars and shuttle vans as requested by Council. The bureau will partner with the Portland Office of Transportation, Portland Police Bureau, and Tri-Met Security to provide increased for-hire ground transportation enforcement.

MANAGEMENT GOALS & OBJECTIVES

In FY 1999-00, the Bureau of Licenses reviewed how it has been doing business and the internal environment in which it operates. The bureau continues to work toward accomplishing the following goals:

- ◆ Realigned staff resources by functions (FY 00-01) and defined and implemented a system to measure bureau processes, outcomes, successes and improvements (completed in FY 01-02).
- ◆ Re-evaluate all represented and support positions in the bureau reflective of the completed realignment by functions. Working with Bureau of Human Resources began August 2001. (Position descriptions to BHR February 2002.)
- ◆ Continue information technology development, systems enhancements and requirements, and data sharing.
- ◆ Enhance all staff information technology proficiency and continue to identify and implement training plans to maintain a highly skilled, technologically proficient, TQM capable and knowledgeable workforce.
- ◆ Continue to identify marketing strategies for bureau data, services, knowledge, skills and abilities to position the bureau to develop new programs, clients and revenue collection opportunities.

COUNCIL PRIORITIES

Council Issues and Priorities

Small Business Assistance

The bureau, in collaboration with the bureaus of Purchases and Housing and Community Development, Portland Development Commission, the Commissioners' staff, and Oregon Economic and Community Development Department, developed a small business support proposal that involved City bureaus and outside agencies and associations. The Portland Development Commission will be the lead agency for the City in FY 2002-03 in implementing a business assistance and support program that will span City services. In accordance with PDC's taking the City lead in Small Business Support, the City business portal will be transferred to PDC in 2003 to use the remaining OECDD portal development grant money to assume responsibility for the portal and to better market the portal to businesses, agencies, and citizens.

Business Improvement Districts

The bureau will assist in developing and administering business improvement districts (BID) throughout the city as opportunities present themselves. Two existing BIDs are operational and several others may be considered for formation. The bureau has worked closely with advocates for a proposed Hawthorne BID which will require a new, markedly different ordinance to reflect the Hawthorne BID environment and perhaps the majority of the remaining neighborhood business districts.

For-Hire Ground Transportation

To provide innovative, cost effective and common sense regulations, the bureau continues to work with representatives of the Port of Portland, Portland Oregon Visitors Association, Tri-Met, the taxi and for-hire ground transportation and towing industries, and citizens to promote service quality standards and ensure public safety.

Overview of Programs

BUSINESS LICENSES

Through the Business License program, the bureau identifies licensees, processes and validates tax returns, collects fees and tax revenue, and audits a variety of business license fees and taxes paid by businesses in the City of Portland and Multnomah County. The largest of these is the consolidated Portland business license/Multnomah County business income tax (MCBIT).

In FY 2002-03, business license and income tax revenues for the City and County will total \$80 million.

Business license revenue is the second largest source of General Fund revenues for the City with receipts expected exceed \$48 million in FY 2002-03. Additionally \$32 million is anticipated to be collected for the County during the next fiscal year.

Program staff use computer and data-matching technology to identify businesses subject to the business license law and MCBIT, collect accounts, maintain accurate records, audit accounts for accuracy and help businesses comply with the law.

For budget purposes, this program includes the Downtown Property Management program supporting business improvement districts.

REGULATORY PROGRAMS

The Regulatory program involves application issuance, compliance, and regulation of various program permits. Regulatory programs include second-hand dealers, pay and park lots, social games, amusement devices, taxicabs and other for-hire ground transportation, towing, and personal property impounds.

Regulation of the liquor licensing endorsement program was moved to the Police Bureau and Office of Neighborhood Involvement in FY 2000-01. The Bureau of Licenses will continue to collect the license application and renewal fees.

Under intergovernmental agreements, this program also administers contract towing for Portland International Airport and Multnomah County Sheriff's Office.

Film/Video and Special Event Coordination continues as part of the Regulatory section. A rewrite of the Special Event ordinance and regulation enhanced the special event permit program. Due to smaller events no longer requiring permits, the bureau will see a decrease in program revenue.

TRANSIENT LODGINGS

The program includes identifying operators subject to the tax, processing and validating tax returns, collecting taxes, auditing accounts for accuracy, maintaining appropriate records, and assisting operators in complying with tax payments.

The bureau continues to collect this tax for Multnomah County within the boundaries of Portland. The County added a 2.5% increase to fund the Convention Center expansion and the Civic Stadium (PGE Park) renovation. The bureau began collecting this increase in April, 2000. The bureau will pursue the collection of *all* Multnomah County transient lodging taxes beginning with the 2002 tax year.

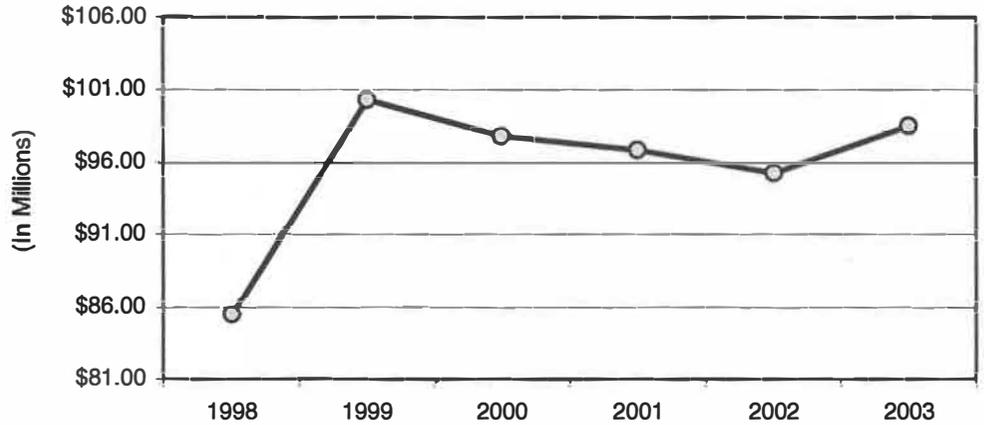
The transient lodgings tax will provide \$10 million to the General Fund in FY 2002-03.

In total, the transient lodgings tax generates over \$21 million annually for distribution to the City and Multnomah County. The Transient Lodgings Tax program is the fourth largest source of General Fund revenue for the City, with receipts expected to exceed \$10 million in FY 2002-03. This program also provides approximately \$2 million in funding for POVA to support tourism activity.

Performance Measures

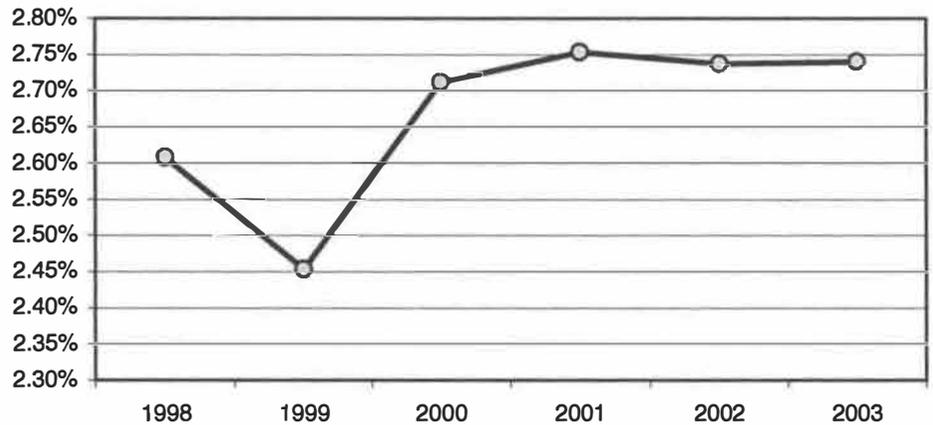
Business Licenses Total Revenue Collected

- ◆ The FY 1999 increase was due to a one-time only surcharge applied to MCBIT payers to support schools.
- ◆ Portland's local economy has been declining in recent years.



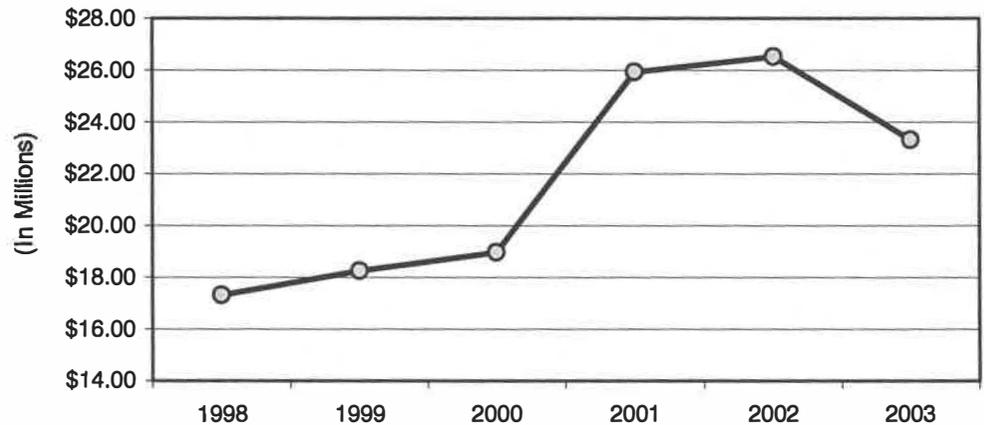
Expenses as a Percent of Revenue

- ◆ Increases are primarily associated with the Business License Information System application development project.



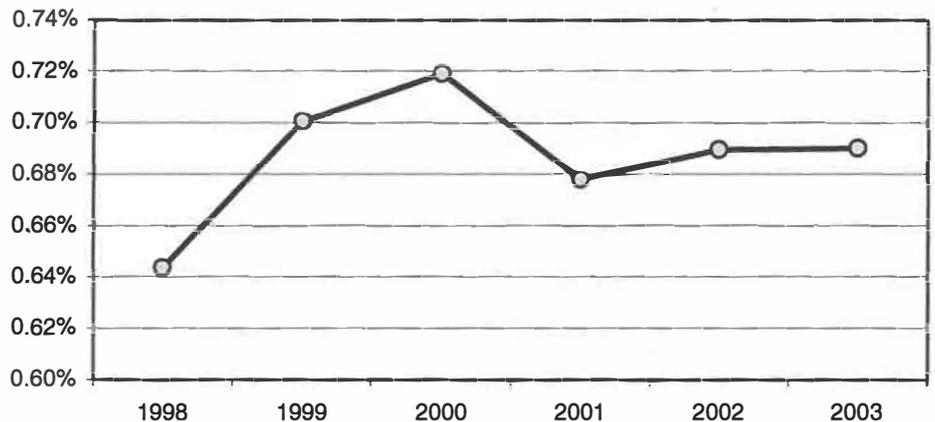
Transient Lodging Tax Collected

- ◆ In April, 2000, Multnomah County temporarily added 2.5% tax for the expansion of the Convention Center and renovation of Civic Stadium.
- ◆ Transient Lodgings revenues are expected to decline after September 11, 2001.

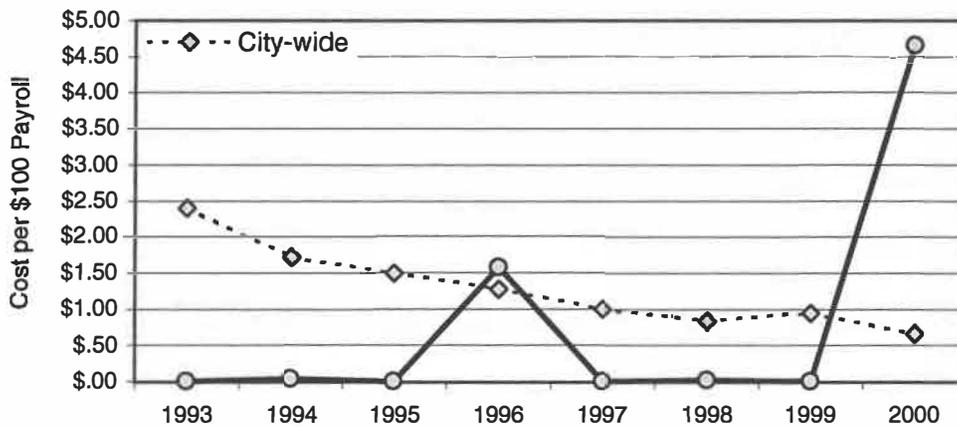


Transient Lodgings - Expenses as % of Revenues

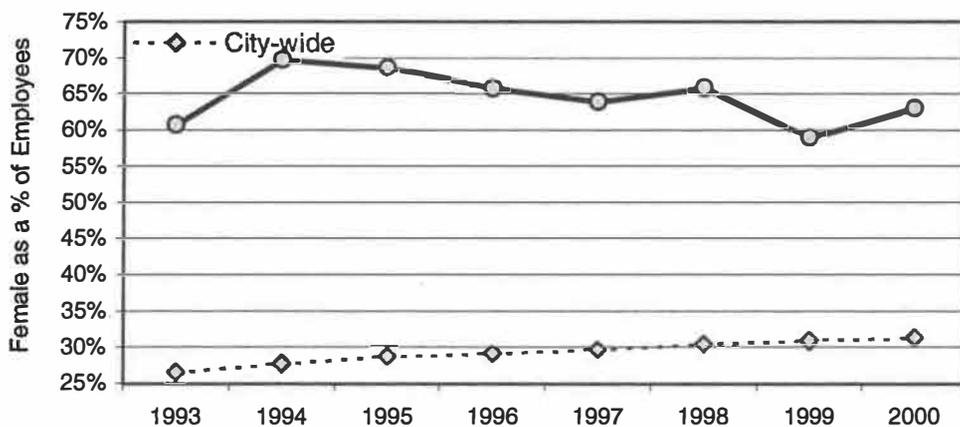
- ◆ These ratios reflect Transient Lodging Taxes, collected quarterly, from approximately 187 hotels and motels in Portland and transient lodgings in the County, and from Convention & Tourism.
- ◆ In FYs 1998-99 the allocation of expenses was changed to better reflect the activity of the program.
- ◆ In FY 2001, the County's temporary 2.5% tax increase reduced the expense ratio.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
BUREAU OF LICENSES						
Affirmative Action Measures						
Affirmative Action - Minority	15.8%	17.1%	15.8%	13.9%	13.9%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	60.5%	60.0%	63.2%	63.9%	63.9%	
Female Employees as a Percent of Total						
Bureau of Licenses						
Risk Data						
General Liability Claims per 200,000 Hours Worked	0.00	0.00	2.94	2.96		
Worker's Comp Claims per 200,000 Hours Worked	0.00	6.10	0.00	2.96		
Fleet Claims per 100,000 Miles Driven	0.00	0.00	0.00	0.00		
Fleet Claims Cost per 100,000 Miles Driven	\$0	\$0	\$0	\$0		
General Liability Claims Cost per \$100 Payroll	\$0.00	\$0.00	\$0.35	\$0.00		
Worker's Comp Claims Cost per \$100 Payroll	\$0.00	\$0.02	\$0.00	\$4.66		
Business Licenses						
Workload						
Business Licenses - No. of Monetary Transactions	174,808	179,698	163,645	161,310	162,254	162,543
Business Licenses - No. of Monetary Transactions** The old information system was only able to track transaction counts for BL. Implementation of BLIS in 1998 allows a more complete and accurate tracking.						
Effectiveness						
Business Licenses -- Total Revenue Collected	\$85.44	\$100.25	\$97.82	\$96.85	\$95.26	\$98.52
Total Revenue Collected**** Business License revenue as well as revenue collected for MCBIT, APP & SPEV programs						
Efficiency						
Business Licenses - % Expenses are of revenue	2.61%	2.45%	2.71%	2.75%	2.74%	2.74%
Business Licenses Program (BL) -- Percentage of revenues that are expensed*****Until 7/1/00, BL expenses were calculated against City license revenue only. After 7/1/00, BL expenses are calculated against all BL revenues because this comparison gives a						
Regulatory Programs						
Workload						
Regulatory Permits - No. of Permits Issued	6,806	6,705	3,972	1,820	2,020	2,030
Effectiveness						
Regulatory - Length of Time Handling Liquor Apps	56	42	42	NA	NA	NA
Regulatory Permits -- Length of Time Handling Liquor Applications in days						
Efficiency						
Regulatory - % of Expenses per Permit	1.5370%	1.7101%	0.8305%	0.3513%	0.3604%	0.3601%
Regulatory Permits -- Percentage of Expenses per Permit						
Transient Lodgings						
Workload						
Transient Lodging - No. of Hotel/Motel Audits Performed	27	26	19	25	25	25
Transient Lodging -- No. of Hotel/Motel audits performed						
Effectiveness						
Transient Lodging Tax Collected	\$17.30	\$18.24	\$18.97	\$25.92	\$26.51	\$23.32
Transient Lodging Tax Collected****Transient Lodging revenue totals include collection of Multnomah County Transient Lodging Tax and Convention & Tourism.						

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Efficiency						
Transient Lodging % Expenses are of Revenue	0.64%	0.70%	0.72%	0.68%	0.69%	0.69%
Transient Lodging -- Percent Expenses are of Revenue						

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	2,244,456	2,447,499	2,467,343	2,519,960	2,519,960
External Materials and Services	325,954	403,899	314,558	363,262	395,262
Internal Materials and Services	564,621	647,908	867,482	858,592	858,592
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	3,135,031	3,499,306	3,649,383	3,741,814	3,773,814
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 3,135,031	\$ 3,499,306	\$ 3,649,383	\$ 3,741,814	\$ 3,773,814
Allocated Overhead	459,004	196,774	260,202	230,776	232,841
Total Cost with Allocated Overhead	3,594,035	3,696,080	3,909,585	3,972,590	4,006,655
RESOURCES					
General Fund Discretionary	1,956,470	2,177,935	2,419,626	2,561,509	2,593,509
Non-Discretionary Revenues					
Grants & Donations	0	32,059	12,941	0	0
Contract Revenues	528,273	620,619	564,253	581,181	581,181
Interagency Revenues	52,967	54,662	92,243	58,499	58,499
Program Revenue	597,321	614,031	560,320	540,625	540,625
Total Non-Discretionary Revenues	1,178,561	1,321,371	1,229,757	1,180,305	1,180,305
TOTAL GENERAL FUND RESOURCES	3,135,031	\$ 3,499,306	\$ 3,649,383	\$ 3,741,814	\$ 3,773,814
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Business Licenses	2,606,869	2,969,108	3,045,951	3,014,733	3,046,733
<i>Positions</i>	34	39	33	32	32
Regulatory Programs	462,820	427,484	510,600	611,544	611,544
<i>Positions</i>	7	6	6	6	6
Transient Lodgings	65,342	102,714	92,832	115,537	115,537
<i>Positions</i>	1	1	1	1	1
Property Management	0	0	0	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 3,135,031	\$ 3,499,306	\$ 3,649,383	\$ 3,741,814	\$ 3,773,814
<i>Positions</i>	42	46	39	38	38
<i>General Fund Discretionary Positions</i>	33	36	31	31	31

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,356,623	1,485,646	1,787,049	1,840,552	1,840,552
512000 Part-Time Employees	45,551	36,468	36,716	22,803	22,803
514000 Overtime	10,253	3,582	0	0	0
515000 Premium Pay	11	1,557	0	0	0
517000 Benefits	590,433	635,992	643,578	656,605	656,605
518000 Paid Absence	241,585	284,254	0	0	0
Total Personnel Services	2,244,456	2,447,499	2,467,343	2,519,960	2,519,960
Materials and Services					
External Materials and Services					
521000 Professional Services	20,796	14,950	0	0	0
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	4,540	1,214	3,800	3,300	3,300
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	84,037	218,863	178,290	157,296	157,296
531000 Office Supplies	58,319	8,494	44,009	66,801	98,801
532000 Operating Supplies	51,496	71,214	18,000	63,405	63,405
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	49,851	23,640	20,000	2,750	2,750
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	46,249	32,171	24,500	26,260	26,260
542000 Local Travel	4,800	28,855	23,459	42,470	42,470
543000 Out-of-Town Travel	2,056	1,463	0	0	0
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	3,810	3,035	2,500	980	980
Total External Materials and Services	325,954	403,899	314,558	363,262	395,262
Internal Materials and Services					
551000 Fleet Services	0	0	0	0	0
552000 Printing & Distribution	83,674	75,955	91,155	85,129	85,129
553000 Facilities Services	324,862	324,918	292,471	286,219	286,219
554000 Communications Services	46,895	45,654	51,365	51,518	51,518
555000 Data Processing Services	61,662	49,445	247,726	240,506	240,506
556000 Insurance	40,503	52,254	51,532	61,110	61,110
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	4,275	3,695	133,233	134,110	134,110
559000 Other Fund Services	2,750	95,987	0	0	0
Total Internal Materials and Services	564,621	647,908	867,482	858,592	858,592
Total Materials and Services	890,575	1,051,807	1,182,040	1,221,854	1,253,854
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 3,135,031	\$ 3,499,306	\$ 3,649,383	\$ 3,741,814	\$ 3,773,814

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
531	Accounting Supervisor II	0	0	0	0	1	64,895	1	64,895
926	Administrative Services Manager	0	1	1	65,302	2	133,179	2	133,179
815	Administrative Specialist	1	0	0	0	0	0	0	0
922	Administrative Supervisor II	1	0	0	0	0	0	0	0
2532	Applications Analyst II	1	2	2	100,739	2	105,464	2	105,464
2534	Applications Analyst IV	1	1	1	0	0	0	0	0
535	Assistant Management Auditor	1	0	0	0	0	0	0	0
2220	Assistant Regulatory Specialist	3	0	0	0	0	0	0	0
114	Clerical Specialist	9	0	0	0	0	0	0	0
2202	Code Specialist II	0	10	7	289,338	6	258,799	6	258,799
2204	Code Specialist III	0	1	1	43,727	0	0	0	0
2207	Code Specialist, Lead	0	1	2	93,318	5	222,372	5	222,372
2210	Field Representative	6	0	0	0	0	0	0	0
2211	Field Representative II	4	0	0	0	0	0	0	0
2543	Information Systems Analyst III	0	1	0	0	0	0	0	0
2213	License Bureau Director	1	1	1	92,461	1	92,812	1	92,812
536	Management Auditor	3	4	4	229,510	3	172,163	3	172,163
100	Office Support Specialist I	0	0	1	27,380	0	0	0	0
102	Office Support Specialist II	0	11	9	307,295	10	346,371	10	346,371
104	Office Support Specialist III	0	2	2	74,098	1	41,607	1	41,607
2545	Principal Info Systems Analyst	1	1	0	0	0	0	0	0
966	Program Coordinator	0	0	1	52,215	1	53,155	1	53,155
968	Program Manager I	5	4	3	186,013	1	59,397	0	0
964	Program Specialist	1	1	1	58,067	1	58,506	1	58,506
2222	Regulatory Program Administrator	4	4	3	167,586	3	168,252	3	168,252
952	Senior Management Analyst	0	0	0	0	0	0	1	59,397
537	Senior Management Auditor	0	0	0	0	1	63,580	1	63,580
7494	Sr Community Relation Specialist	0	1	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		42	46	39	\$ 1,787,049	38	\$ 1,840,552	38	\$ 1,840,552

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	3,758,310	0	3,758,310	38.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(1,091)	0	(1,091)	0.0	Facilities BOMA adjustment
	1,540	0	1,540	0.0	OMF HR cost pool adjustment
	(408)	0	(408)	0.0	OMF BHR Training reduction
	(16,537)	0	(16,537)	0.0	OMF Internal Services cuts - GF savings
Approved Budget Additions and Reductions	32,000	0	32,000	0.0	BID pass through
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	15,504	0	15,504	0.0	Total FY 2002-03 Decision Packages
			\$ 3,773,814	38.0	Total Adopted Budget
FY 2002-03 Reduction Packages Not Accepted	(140,887)	0	(140,887)	2.0	7% reduction
			\$ (140,887)	2.0	Total Reduction Packages Not Accepted

Office of Management and Finance

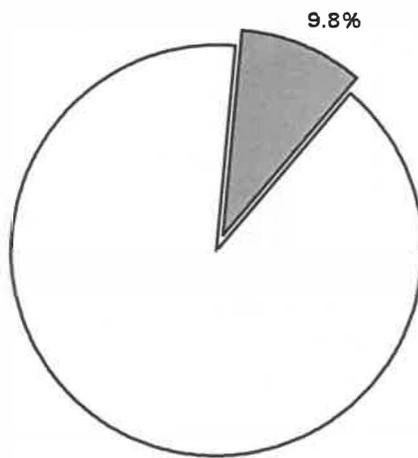
Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

Timothy Grewe, Chief Administrative Officer

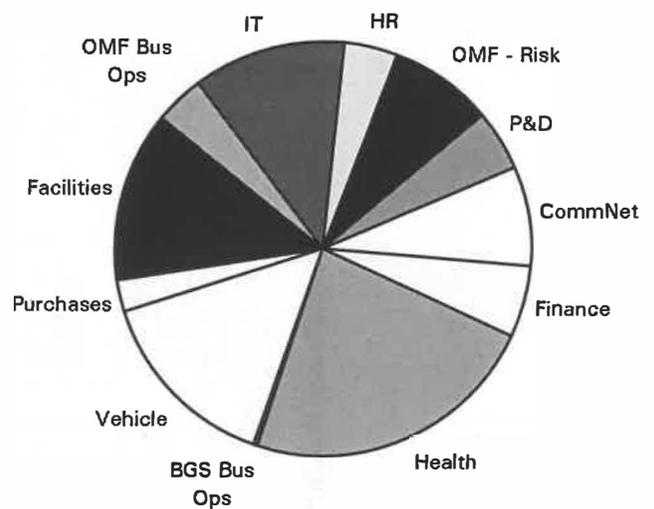
Percent of City Budget

OMF = \$136.7 Million



City Budget = \$1.4 Billion

Bureau Divisions



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	146,765,713	128,466,172	-18,299,541	-17.2%
Capital	20,178,491	8,245,669	-11,932,822	-61.4%
Allocated Overhead Costs	2,452,456	2,743,404	290,948	5.8%
Total Cost with Allocated Overhead	\$ 169,396,660	\$ 139,455,245	\$ -29,941,415	-22.2%
Authorized Full-Time Positions	519	514	-5	-6.4%

Note: Per capita change values are adjusted for inflation and population growth.

Office of Management and Finance



The Bureaus of Communications and Networking and Information Technology will be merged into a single Bureau of Technology Services in the fall of 2002.

Bureau Summary

BUREAU MISSION

The Office of Management and Finance's mission is:

Leadership, Management, Stewardship

Supporting the administrative and operational needs of the City to enhance quality service delivery to the public.

Values

The Office of Management and Finance has established the following values:

Customer Focus - We value an effective balance between service provision and regulation. We achieve this balance by striving to know the core business needs of our customers, establishing mutual understandings about our service capacity, and using a problem solving approach.

Coordination & Partnerships - We value a spirit of collaboration, cooperation, and effective communication in our work within the Office of Management and Finance and among City bureaus, our City Council, other agencies, and the public.

Respect & Integrity - We value and practice personal and organizational integrity, fiscal and operational accountability, and protecting the public trust. We practice inclusiveness, respecting diversity at all times.

Stewardship - We value sound management practices in the responsibilities entrusted to us by City Council, City bureaus, and the public.

Strategic Perspective - We value preparedness coupled with shared recognition of constraints and opportunities. We serve the City best through advance planning and anticipating issues.

Knowledgeable, Dedicated Workforce - We consider our employees our greatest asset. We strive to maintain a safe and supportive workplace based on principles of accountability and service.

Sustainability - We value and maintain business practices that respect the natural environment and further the City's goals for sustainability.

BUREAU OVERVIEW

The Office of Management and Finance (OMF) is the primary advisor and provider of central services to the City Council and City bureaus. These services include financial management, human resources, information technology, purchases, urban services, and centralized services, such as vehicles, facilities, communications, printing and distribution services, and risk management. In addition, OMF serves external customers, such as vendors doing business with the City and applicants for City jobs.

OMF is undergoing two organizational changes.

OMF was created by the City Council on May 3, 2002 to achieve efficiencies and savings in City administrative and support services. The Chief Administrative Officer recently concluded a thorough assessment of OMF's organizational structure to ensure it is effectively supporting OMF's goals and objectives while maximizing available resources. Effective July 1, the bureaus of Financial Planning and Financial Management will be merged into a single Bureau of Finance, which is reflected in the Adopted Budget. In addition, the Bureau of Communications and Networking Services and the Bureau of Information Technology will be merged in the Fall of 2002 into the Bureau of Technology Services.

OMF Bureaus

OMF's goals are accomplished through the following bureaus and programs:

OMF Business Operations

OMF Business Operations is the administrative arm of OMF, which provides management, support, and coordination for all Office of Management and Finance's internal business operations. The program includes the Chief Administrative Officer's (CAO's) office, OMF Business Operations, and Risk Business Operations.

Bureau of Finance

The Bureau of Finance is composed of the Accounting, Debt Management, Financial Planning, Spectator Facilities, and Treasury programs. Through these programs, the bureau provides financial management and planning services in a variety of areas, such as financial reporting and planning, investments, debt issuance, spectator facilities activities, and grants management.

Bureau of Human Resources

Human Resources provides strategic leadership and management of Citywide human resource systems, which link to the business strategies of the Council and City bureaus.

OMF provides a wide variety of services.

Bureau of General Services

General Services provides many of the City's internal support services. The bureau includes management and oversight of Facilities Services, Parking Facilities, Printing and Distribution, Risk Management, and Vehicle Services programs.

Bureau of Information Technology

Information Technology (IT) provides leadership and management in strategic Citywide information technology planning and development activities.

Bureau of Purchases

The Bureau of Purchases provides leadership and management of the City's procurement process and management and implementation of the City Council's Fair Contracting and Employment Strategy.

Bureau of Communications and Networking Services

The Communications (ComNet) program provides leadership to the Council and bureaus in strategic planning and management of the City's communications-related equipment and systems. ComNet also procures, operates, and maintains the City's communications-related equipment and systems.

SUMMARY OF BUDGET DECISIONS

The FY 2002-03 Adopted Budget for OMF is \$136 million. This is approximately \$30 million (18%) less than the FY 2001-02 Revised Budget.

Reductions were taken in OMF's General Fund bureaus, as required by the City Council, together with voluntary 7% reductions made by OMF's internal service funds in recognition of the City's financial challenges. Other budget reductions and adjustments were primarily the result of reduced capital requirements due to the completion of capital projects, retirement of debt, and health benefit plan redesign.

OMF continues to examine ways to be more efficient.

OMF's budget reductions for FY 2002-03 are in addition to over \$10 million in savings achieved through the Administrative Services Review effort in FY 1999-00 and FY 2000-01. OMF continues to look at its organizational structure and streamlining processes and systems to achieve efficiencies; however, budget reductions will have service impacts.

OMF's reductions for the Adopted Budget, as compared to the FY 2001-02 Revised Budget, are described below by program:

Facilities

The Facilities Services' budget reflects a 27% reduction as a result of reduced capital requirements and major maintenance reserves for City Hall, the 1900 Building, Police facilities, and Vehicle Services' facilities. 1.5 Maintenance Technicians are reduced - impacting repair and preventive maintenance of facilities. In addition, janitorial services for Police facilities, the Portland Building, the 1900 Building, and City Hall are reduced.

Printing and Distribution

This program reflects a 9% reduction and the elimination of two positions. These reductions are attributable to lower service levels being requested by bureaus due to increased use of technology for disseminating information.

Risk Management

This program increases by 1.7%. Risk's 7% internal service fund reductions are offset by increases in Workers' Compensation costs as a result of claims activity. In addition, the City's Loss Control Manager is being eliminated at a time when claims costs are increasing.

Vehicle Services

The Vehicle Services' budget decreases approximately 19% due to the completion of a large capital project in FY 2001-02 and extended vehicle replacement cycles.

ComNet

Communications decreases by 41% as a result of reduced capital costs for implementation of the IRNE. In addition, 7% reductions are achieved by reduced telecommunications equipment, radio shop, and 800 MHz rates. \$257,950 in one-time capital set-aside funds were provided to support capital projects for the 800 MHz system.

Health Administration

This program's costs decline by approximately 21% as a result of plan redesign to contain escalating health care costs.

Information Technology	This program's costs are reduced 16% from the FY 2001-02 Revised Budget as a result of Geographic Information System (GIS) debt retirement and the 7% internal service fund cuts. Six positions and the Technology Learning Center are eliminated, and the GIS program will relocate from the PacWest Building to the Portland Building, resulting in a rent reduction. This move also achieves a higher occupancy rate for the Portland Building and positively impacts the Facilities Fund.
Purchases	This bureau's reductions impact the City's Fair Contracting program and the bureau's Operations program through the elimination of two positions and City support for the Oregon Association of Minority Entrepreneurs (OAME) community office. In addition, participants will have to pay for contractor development services previously supported by the City.
Financial Management	The Adopted Budget maintains staff in Financial Planning and reduces its interagency agreement with the Bureau of Information Technology by \$45,000. In addition, the Grants Office is reduced by one position and is being transferred organizationally from Accounting to Financial Planning. This is being done in recognition of the commonality of work and to achieve efficiencies to minimize the loss of staff support.
Human Resources	The Bureau of Human Resources' Citywide training program has been significantly reduced and two positions have been eliminated.
OMF Business Operations	<p>A Program Manager II position has been added to assist OMF, the Portland Department of Transportation (PDOT), and the Bureau of Planning with public information activities. Interagency agreements with PDOT and Planning each support one-third of the position, respectively. OMF's discretionary target has been adjusted to support its one-third share of the position.</p> <p>OMF Business Operations' materials and services budget is significantly reduced and the Chief Administrative Officer's special projects staff have largely been reallocated to other OMF program and activities.</p>
Impact of Reductions	The reductions highlighted above will result in lower customer service levels to meet the City's evolving business needs. The reduction of prudent major maintenance facilities reserves, extended vehicle replacement cycles, and a decreased ability to focus on effective loss prevention may result in increased costs in the future. Likewise, Citywide training program reductions will impact the ability to invest in and train managers, supervisors, and employees on citywide human resources rules, etc., potentially increasing costs due to increased labor and employee relations issues. The reassignment of staff in the Chief Administrative Officer (CAO)'s office and reductions taken in OMF Business Operations impact the CAO's ability to achieve OMF's work plan and to absorb new and important Council projects.

FUNDING SOURCES

The Office of Management and Finance is funded by a combination of resources. The bureaus of Finance and Purchasing are funded primarily by General Fund overhead and discretionary resources. OMF Business Operations and the bureaus of General Services, Communications, Information Technology, and Human Resources are funded primarily through interagency revenues.

New Revenues

Some new revenue sources are included in the FY 2002-03 Adopted Budget. OMF will assess a quarterly administrative fee to be paid by each of the five deferred compensation providers. The fee equates to .05% of the average annual balance of assets under management and is estimated at \$65,000 for FY 2002-03. While the fee will not fully offset the operating costs of the program, it will provide a stable funding source for approximately half of the program's costs.

A new municipal marketing program is being started.

Other new revenues are from interagency agreements and a new program. A \$75,000 interagency is established with the Pension Debt Redemption Fund in support of Treasury staff costs associated with PERS pension liability issues. In addition, the Adopted Budget provides for the implementation of a municipal marketing partnership program. Under such a program, the City would enter into contracts with corporations and collect fees for providing commercial marketing opportunities through sponsorships and advertising. Program requirements are estimated to be \$121,000 per year. Projected net revenue is \$25,000, which would be used to offset staff costs.

Strategic Direction

MAJOR INITIATIVES

OMF has the following major initiatives for FY 2002-03:

Citywide Administrative Efficiencies

The City's Chief Administrative Officer will continue to provide leadership to ensure the City's administrative services are delivered efficiently and at least cost. As part of this effort, the Bureau of Communications and Networking Services and the Bureau of Information Technology will be merged to form a new Bureau of Technology Services in the Fall of 2002. In addition, a focused review will be conducted of OMF's Vehicle Services and Risk Management operations, as well as the Citywide budget process, to identify potential opportunities for better anticipating and meeting customers' business needs, improving customer service, streamlining systems and processes, and maximizing effectiveness.

It should also be noted that FY 2002-03 will mark the first full year of implementation of the new Citywide service delivery model for human resources, with service agreements and performance measures in place.

Employee Health Care Benefits

OMF will continue to provide leadership in benefits redesign to contain costs while providing employees with a competitive health care program.

New GASB Reporting

OMF will implement new financial reporting standards developed by the Governmental Accounting Standards Board (GASB). This change in reporting is mandatory. Failure to comply will result in a qualified opinion of the City's financial reports. This would impact the City's Aaa bond rating, thereby significantly increasing borrowing costs.

IBIS Replacement / Enhancement

OMF will continue to review alternatives for replacement and/or enhancement to the Integrated Business Information System (IBIS) to provide better management information upon which to base decisions and to establish financial systems to support planned City e-government and e-commerce business.

800 MHz Radio System Major Maintenance

Communications and Networking Services will continue maintenance and system enhancement projects to add greater coverage and protect the investment in the 800 MHz system.

Integrated Regional Network Enterprise

The Integrated Regional Network Enterprise (IRNE) will be operational in FY 2002-03. The IRNE will provide a high-speed, high-capacity link among government buildings and represents a major investment designed to remove technological barriers for government participation in the e-commerce economy. Once this link is in place, various public service enhancements can occur.

Fire Station Construction

In cooperation with the Bureau of Fire, Rescue and Emergency Services, OMF will continue to provide project management in the construction of four new fire stations and renovation of three stations.

MANAGEMENT GOALS & OBJECTIVES

The Office of Management and Finance (OMF) provides for a number of strategic directions in FY 2002-03 and beyond. These include the following:

Leadership and Stewardship of Resources

Strengthen OMF's leadership and stewardship of the City's human, technological, financial, and capital resources.

OMF will undertake this effort through the following activities:

- ◆ Undertake a critical evaluation of existing service delivery approaches based on cost effectiveness, quality of service, and accountability in light of OMF's performance over time, as well as comparisons to similar jurisdictions nationwide.
- ◆ Continue the existing competitiveness study for OMF services and establish benchmarks.
- ◆ Model the City's sustainability vision by establishing sustainability objectives and implementing a comprehensive sustainability program.
- ◆ Implement education and outreach efforts to increase the visibility of OMF and increase awareness of the organization's value and role to internal and external customers, users, and stakeholders.

Professional Workforce and Workplace

Continue to recruit and to develop an expert workforce and develop a workplace based on basic values of accountability, stewardship, inclusion, and service.

OMF will continue these efforts with the following activities:

- ◆ Develop and implement an organization-wide communication plan for timely and relevant communication of information to employees, key customers, users, and stakeholders.
- ◆ Conduct a comprehensive workforce needs assessment leading to the development and implementation of a workforce training and development plan.
- ◆ Develop and implement an organization-wide workforce turnover and management succession plan.
- ◆ Continue to foster efforts to weave diversity and inclusion into all aspects of our work.
- ◆ Engage all OMF employees in discussions of the organization's mission, vision, values, and strategic goals.
- ◆ Continue to develop a workplace distinguished by a sense of safety and a responsiveness to the diversity and needs of our workforce.
- ◆ Recognize the need to balance work and personal life to ensure a healthy workforce.

Management Skills

Enhance the management skill sets necessary to lead the organization.

OMF will undertake this effort through the following activities:

- ◆ Develop a clear set of management skill sets and competencies and expectations based on strategic goals and objectives.
- ◆ Develop and implement a comprehensive management training and development program across the organization.
- ◆ Continue the development and implementation of sound performance management practices that establish clear expectations, provide organizational support for success, and hold individuals at all levels of the organization accountable for results.

- ◆ Further build teamwork and the ability of organizational leaders to work together on addressing Citywide issues.

Efficiency Through Technology

Maximize the cost-effective use of technology in all aspects of OMF's work.

OMF will undertake this effort through the following activities:

- ◆ Develop a comprehensive strategic technology plan for OMF.
- ◆ Undertake a comprehensive examination of the City's technology infrastructure requirements and develop an investment plan.
- ◆ Continue to explore ways to use technology including investing in and promoting the use of e-business, e-commerce, and e-government in order to increase ease of City and public use of our services.
- ◆ Continue to develop and implement Citywide standards consistent with the core business needs of users.
- ◆ Conduct an assessment of user training needs and provide appropriate support.

Partnerships

Strengthen OMF's collaborative business partnerships with customers, users, and stakeholders.

OMF will undertake this effort through the following activities:

- ◆ Involve customers, users, and stakeholders in establishing customer service standards based on the principle of balancing service provisions with our regulatory mandates and financial constraints.
- ◆ Capitalize on opportunities to partner with other government jurisdictions and appropriate entities to achieve economies of scale in the delivery of cost-effective and quality services.
- ◆ Establish basic and consistent standards of service delivery and value, including operating policies and procedures, across all OMF bureaus.
- ◆ Establish, administer, and report specific performance measures within all OMF bureaus.
- ◆ Regularly communicate with our customers and stakeholders on projects and issues which will impact them.
- ◆ Periodically survey customer satisfaction with our services.

COUNCIL PRIORITIES

Future Focus

The Office of Management and Finance provides administrative and support services to the Mayor, City Council, and City bureaus. While many of OMF's activities contribute most directly to the goal to "maintain a financially stable City," operating bureaus' service delivery to the public is dependent on many OMF services -- procurement, office space, vehicles and equipment, and the like. As a result, OMF supports all of Council's strategic goals and objectives.

Portland/Multnomah Benchmarks

OMF partners with the Council and City bureaus in delivery of service to Portland's citizens. OMF's activities contribute most directly to the benchmarks of Economic Prosperity, Government Performance, Neighborhood Livability, Diverse Workforce, Growth, Public Safety, Jobs and Infrastructure, Multi-Modal Transportation, and Access to High Speed Internet.

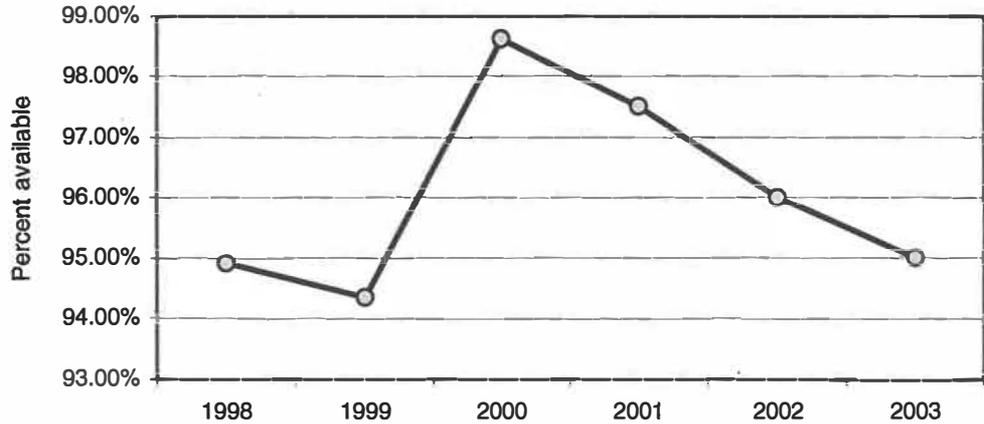
OMF also shares information with and receives input from citizens through community budget forums, the Public Utility Review Board, and other citizen committees and boards.

OMF participates in a variety of forums with other regional jurisdictions (Metro, the City of Gresham, Multnomah County, etc.) on a variety of issues. The City's Chief Administrative Officer regularly attends the metro area managers meeting to share and discuss issues of common interest. Additionally, OMF regularly collaborates with business and community agencies, such as the Chamber of Commerce, the Regional Arts and Culture Council, and the Association for Portland Progress.

Performance Measures

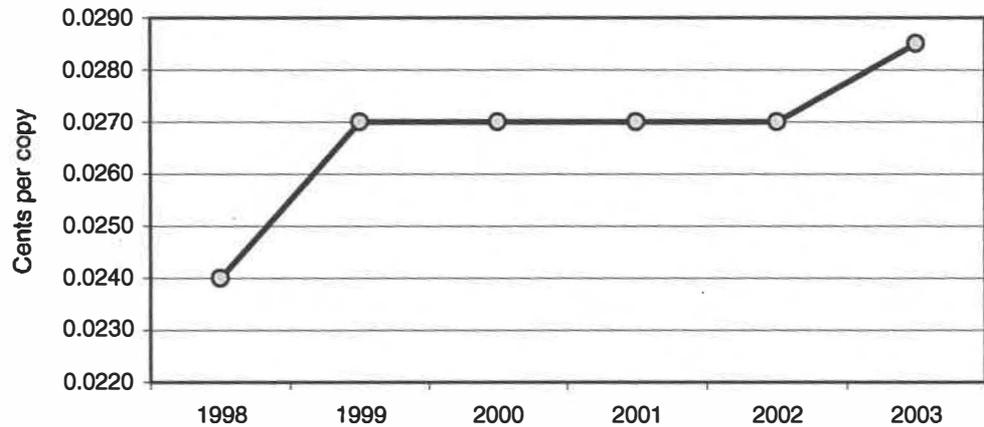
Percentage Availability of All Vehicles

- ◆ This measure reflects the total percentage of time vehicles are not in the shop for repairs or maintenance.
- ◆ Vehicles have been available 94% of the time or better in the last 5 years.



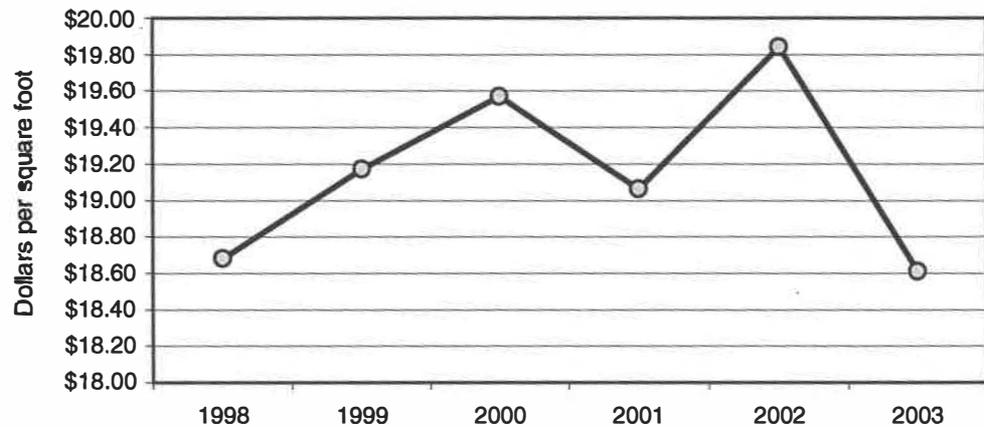
Basic Copy Center Rate

- ◆ Through efficiencies and increased volume, Printing and Distribution has increased the basic copy center rate only twice in the last eleven years.
- ◆ Over an eleven year period, inflation has averaged 3.2%, while the basic copy center rate has only increased the equivalent of 1.9%.



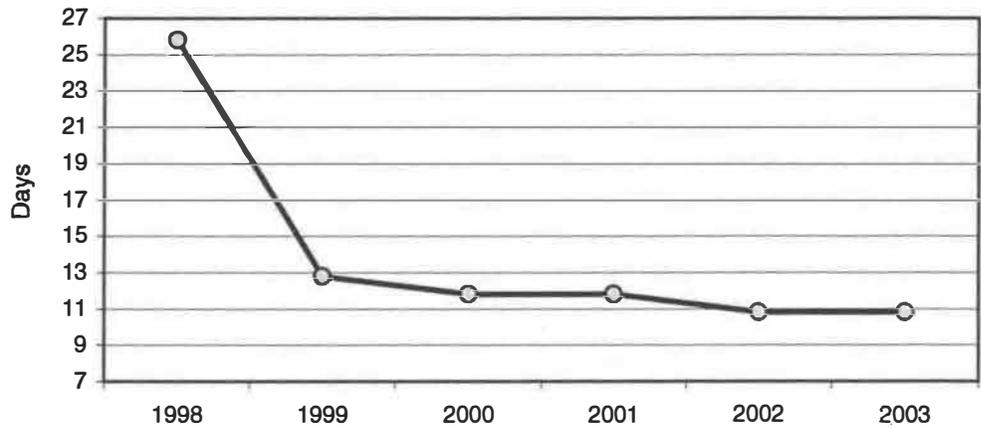
Average Rental Rate for City-Owned Property Leased to City Bureaus

- ◆ The rental rate has stayed close to the rate of inflation for the last 10 years.
- ◆ The reduction in FY 2003 is due to basing square footages on BOMA standards.

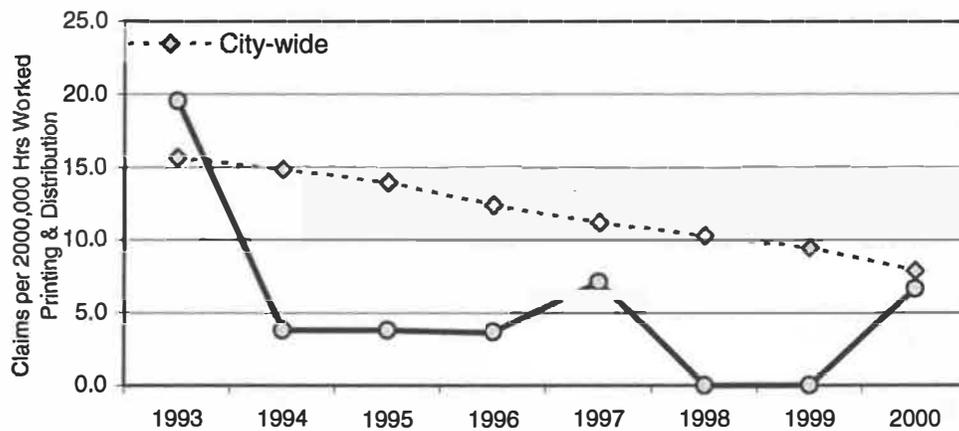


Processing Time (Days) for Formal Contracts

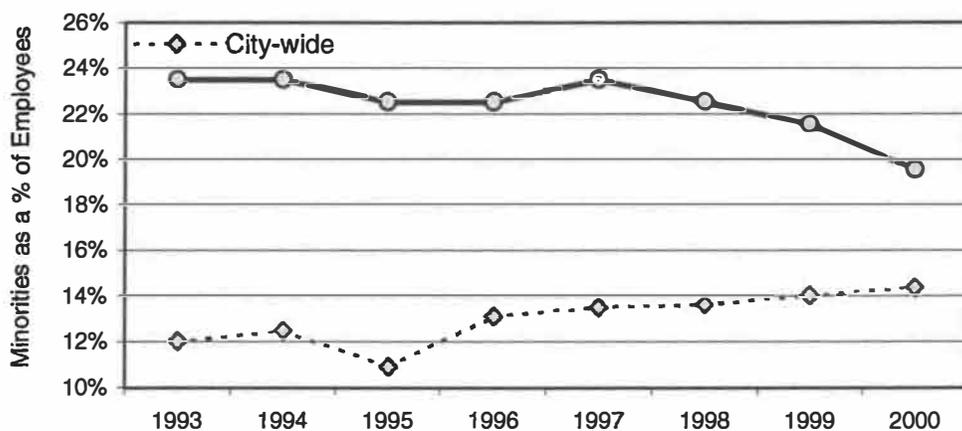
- ◆ Time to process a contract from bid acceptance was reduced substantially during FY 1998-99.
- ◆ Further streamlining of contract processes (pending state legislation and city process improvements) are planned to create greater efficiencies in coming years.
- ◆ Budget restrictions may delay the further planning and implementation of streamlining processes.



Bureau Loss Experience vs. Citywide Loss Experience



Workforce Diversity — Bureau Employees vs. Citywide Employees



	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
OFFICE OF MANAGEMENT AND FINANCE						
Affirmative Action Measures						
Affirmative Action - Minority	21.5%	19.9%	19.0%	18.8%	19.1%	
Minority Employees as a Percent of Total						
Affirmative Action - Female	37.8%	38.6%	38.8%	38.4%	38.6%	
Female Employees as a Percent of Total						
Communication Services						
Radio Shop						
Workload						
Number of pieces of electronic equipment maintained	5,072	5,411	5,734	5,993	6,120	6,120
Effectiveness						
Percentage of customers surveyed rating services good or very good		98%	100%	100%	100%	100%
Efficiency						
Number of pieces of electronic equipment maintained per technician	403	404	489	596	609	609
800 MHz Operations						
Workload						
Number of communication units accessing system	5,339	5,748	6,049	6,353	6,400	6,400
Effectiveness						
Percentage of time system operated without failure	99.99%	99.99%	99.99%	99.99%	99.99%	99.99%
Efficiency						
Number of communication units per employee	834	858	680	588	593	593
Telecommunications						
Workload						
Number of Service Requests Processed	2,823	3,091	4,060	3,649	3,536	3,400
Effectiveness						
Percentage of Customers Surveyed Rating Services Good or Very Good		93%	100%	100%	100%	100%
Efficiency						
Service Requests per Telephone Coordinator	941	1,030	1,015	912	884	850
Facilities Services						
Operations & Maintenance						
Efficiency						
Carbon footprint - Electricity usage						TBD
This measure will allow for tracking electricity usage and therefore our carbon footprint year to year.						
Efficiency						
Carbon footprint - Natural gas usage						TBD
This measure will allow for tracking natural gas usage, and therefore our carbon footprint, year to year.						
Property Management						
Workload						
Total square footage of facilities managed		2,745,263	3,073,796	3,073,796	3,114,592	3,114,592
Efficiency						
Average rental rate for City-owned property leased to City bureaus	\$18.68	\$19.17	\$19.57	\$19.06	\$19.84	\$18.61
Project Management						
Workload						
Value of capital improvements completed			\$28,095,134	\$18,292,790	\$15,229,000	\$32,253,403

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Value of capital improvements planned			\$28,095,134	\$29,100,500	\$44,935,000	\$32,253,403
Effectiveness						
Percentage of projects completed within authorized schedule and budget			100%	NA	100%	100%
Efficiency						
Cost per square foot for new construction			\$179.00	NA	\$141.00	\$195.00
Cost per square foot for renovated space			\$23.00	\$27.00	\$40.00	\$56.00
Facilities Maintenance						
Effectiveness						
Percentage of City facilities maintained in good or better condition			100%	90%	90%	90%
Percentage of maintenance service requests resolved within 24 hours			95%	30%	50%	50%
Percentage of maintenance mechanic time devoted to preventive maintenance			35%	20%	25%	30%
Vehicle Services						
Maintenance & Repair						
Workload						
Number of Work Orders Issued	22,333	16,719	20,646	22,201	23,000	23,500
Maintenance and Repair work orders opened for vehicles which come in for service.						
Effectiveness						
Percentage availability of all vehicles	94.90%	94.34%	98.61%	97.50%	96.00%	95.00%
Efficiency						
Number of Work Orders per Vehicle	8.90	6.42	7.94	8.67	8.83	8.89
Fuel Management						
Efficiency						
Carbon footprint - Gasoline fuel usage						TBD
This measure will allow for tracking gasoline usage, and therefore our carbon footprint, year to year.						
Efficiency						
Carbon footprint - Diesel fuel usage						TBD
This measure will allow for tracking diesel fuel usage, and therefore our carbon footprint, year to year.						
Vehicle Pool						
Workload						
Number of Vehicle Pool Trips	2,861	2,878	2,742	2,936	3,000	3,100
Capital Replacement						
Workload						
Number of Vehicles/Equipment in Vehicle Services Inventory	2,508	2,603	2,608	2,562	2,602	2,642
Efficiency						
Percentage of Planned Replacement Vehicles Purchased	68%	87%	82%	65%	90%	90%
Printing & Distribution Services						
Copy Services						
Workload						
Total number of copies	29,044,799	32,069,427	27,308,630	20,133,446	19,000,000	21,123,900
Distribution						
Workload						
Total number of pieces mailed	3,775,000	5,300,000	5,345,678	4,150,007	4,500,000	4,500,000
Effectiveness						
Delivery routes completed on time		98%	98%	98%	98%	98%
Efficiency						
Total number of pieces mailed per employee	629,167	883,333	890,946	754,547	818,182	800,000

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Duplicating						
Workload						
Total number of work orders completed	25,797	25,850	29,477	30,598	29,950	30,000
Effectiveness						
Work shipped on time	97.9%	96.9%	97.9%	98.1%	98.0%	98.0%
Efficiency						
Basic Copy Center Rate	0.0240	0.0270	0.0270	0.0270	0.0270	0.0285
Microfilm						
Workload						
Total number of work orders completed	1,911	2,226	1,173	1,064	1,100	1,150
Effectiveness						
Work shipped on time	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Efficiency						
Total number of work orders completed per employee	956	1,113	782	532	440	450
Financial Management						
Financial Planning & Grants						
Workload						
Number of Major Policy Reviews				5	5	5
No. of Budget Documents Produced	8	8	5	6	6	6
No. of PURB Meetings	65	54	57	41	50	50
Effectiveness						
Accuracy of Financial Forecast (Percent Within Actuals)	2.3%	1.0%	1.0%	1.0%	3.0%	1.0%
GFOA Budget Quality Award	1	1	1	1	1	1
Quality puppy time index	0.47	0.32	0.73	0.76	0.43	0.65
Efficiency						
Financial Outlooks Issued Within 20 Days of AP End		75%	75%	75%	75%	75%
Bureau of Financial Management						
Workload						
No. of Invoices Issued	2,600	2,700	3,968	4,000	3,705	4,100
Number of Active Federal Grants	146	167	163	160	160	175
Investment Portfolio	\$575	\$538	\$550	\$598	\$375	\$375
Long-Term Debt Under Issuance	\$1.00	\$1.21	\$1.55	\$1.93	\$1.93	\$1.93
Oregon Arena Management Financial Plans	2	1	1	1	1	1
Effectiveness						
No. of Grant Audit Findings	6	3	1	0	0	0
Accounts Payable Turnaround Time (Days From Receipt)	1-3 Days	1-3 Days				
GFOA CAFR Compliance Certificate	1	1	1	1	1	1
No. Days After FY End to Issue CAFR	165	165	165	215	165	165
No. of Payroll Checks Without Error	155,000	163,000	162,132	163,000	163,000	162,500
Percent of Invoices Collected Within 60 Days	85%	85%	85%	65%	85%	85%
Efficiency						
City's Bond Rating	Aaa	Aaa	Aaa	Aaa	Aaa	Aaa
Human Resources						
Human Resources						
Workload						
Diversity Development (D.D.)-Number of trainee hours in D.D. Classes			N.A.	3,500	3,500	3,500

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Hours Spent in Collective Bargaining	2,000	1,900	2,200	2,500	2,500	2,500
Hours Spent in Contract Administration	5,018	5,200	4,800	5,200	5,200	5,200
Number of Classification Actions	2,231	375	2,300	300	1,865	300
Training Participant Hours	12,300	12,950	13,100	14,160	13,900	13,000
Employment Opportunities Posted	200	208	244	250	250	250
Personnel Action Notices Processed	8,095	16,000	13,672	13,320	13,500	14,600
Alternate Employment Activities					NA	40
Training Plans, Expanded Transfers, Alternative Lists, Reinstatements						
Number of Employment Applications Received					NA	25,000
Effectiveness						
Percent Reduction in Number of Contract Administration Grievances	65.0%	0.0%	2.6%	2.0%	2.0%	250.0%
Percent of Workforce Classifications Reviewed Annually	55%	17%	49%	25%	52%	20%
Percent of Exam Appeals Resolved Prior to Civil Service Board Action	87%	94%	95%	95%	85%	80%
Percent of Customer Service Surveys on Exams With Ratings of 4 or 5 on a Scale of 1-5	93%	96%	95%	95%	100%	90%
Parity Achievement-% of City employees from Protected Classes	N.A.	14%	15%	16%	16%	17%
Percent of Affirmative Action Plan Implemented	100%	80%	90%	85%	100%	100%
Percent EEO Complaints Investigated	100%	85%	70%	90%	100%	100%
Percent of Training Professional Services Costs Funded Through Participant Fees			87.0%	90.0%	90.0%	93.0%
Length of Time to Establish Eligibility Lists	55	37	35	40	47	35
Efficiency						
Average Personal Services Costs Per Classification Action	\$346	\$85	\$459	\$75	\$100	\$100
Personal Services Costs Per Training Participant Hour	\$7.02	\$5.07	\$4.78	\$4.78	\$5.00	\$0.00
Information Technology						
Computer Services						
Workload						
Application and Development Hours Billed		17,000	17,850	17,264	16,240	17,427
IBM Online Transactions Per Day		120,000	120,000	144,704	151,939	159,536
Effectiveness						
Help Desk Tier 1 Response			50%	78%	75%	75%
Resolve Desk Top Problems Within 10 Minutes						
Effectiveness						
Help Desk Tier 2 Response			98%	98%	98%	98%
Resolve Desk Top Problems Within 4 Hours						
Network Problem Resolution (Business Day)				90%/4 hours	90%/4 hours	90%/4 hours
Help Desk Calls Recorded			48%	98%	98%	100%
IBM System Availability	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%
Efficiency						
Networked Devices Per Technician	101	101	52	83	100	110
Risk Management						
Insurance & Claims Administration/Claims						
Workload						
Number of general & fleet liability claims	1,013	1,043	1,024	1,030	1,030	1,030

	Actual FY 1997-98	Actual FY 1998-99	Actual FY 1999-00	Actual FY 2000-01	Yr End Est. FY 2001-02	Adopted FY 2002-03
Effectiveness						
Incurred cost of general liability claims per \$100 payroll	0.99	1.11	0.51	1.08	1.08	1.08
Incurred cost of fleet liability claims per 100,000 miles driven	4.85	4.46	2.90	3.54	3.54	3.54
Efficiency						
Number of general liability claims per 200,000 hours worked	12.62	12.07	11.26	11.48	11.48	11.48
Number of fleet liability claims per 100,000 miles driven	1.30	1.35	1.23	1.26	1.26	1.26
Workers Compensation Admin/Claims						
Workload						
Number of workers compensation claims	357	345	314	341	341	341
Effectiveness						
Incurred cost of workers compensation claims per \$100 payroll	0.82	0.94	0.66	0.86	0.86	0.86
Efficiency						
Number of workers compensation claims per 200,000 hours worked	10.27	9.55	7.86	8.52	8.52	8.52
Bureau of Purchases						
Purchases						
Workload						
Project Manager and Inspector Training - Number of Students	211	265	275	300	300	300
Centralized training for the City's project managers and inspectors increases, standardizes, and updates their knowledge on City construction contracting policies and procedures.						
Effectiveness						
Processing Time (Days) For Formal Contracts	26	13	12	12	11	11
Processing formal contracts in an efficient manner is important to the City's bureaus. Purchases seeks to provide excellent customer service by reducing processing time without compromising the City of Portland's legal and social responsibilities.						
Effectiveness						
Percentage of Hours Worked by Minority and Women Contractors on City Projects	18%	21%	22%	24%	24%	24%
The adoption of the Fair Contracting and Employment Strategy by City Council allows the City of Portland to utilize fair and inclusive contracting practices to ensure that all qualified community members can take part in the bidding process.						
Purchasing Admin						
Workload						
Number of EEO Certifications Processed	3,500	3,525	3,575	3,600	3,625	3,625
Procurement						
Workload						
Requisitions and Formal Bids	1,900	1,950	2,000	2,050	2,100	2,100
Processing Time for Formal Contracts	26	13	12	12	11	11
Customer bureaus have increasingly expected the Bureau of Purchases to shorten contract cycle time on high-priority projects, and we have worked to improve and streamline the process. In fiscal year 1998-99, the Bureau of Purchases cut in half the time b						
Percentage of Requisitions to POs in Less Than 15 Days	90%	90%	90%	90%	90%	90%
Contractor Development						
Workload						
Prime Contracts < \$200,000 Awarded to M/W/ESB Contractors	16%	27%	30%	30%	30%	30%
Percentage of Hours Worked by Minorities and Women on City Projects	18%	21%	24%	24%	24%	24%
Project Manager Training - Number of Students	211	265	275	300	300	300

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	26,526,360	27,785,259	38,553,256	39,702,643	39,899,404
External Materials and Services	65,195,391	68,133,012	85,329,484	67,779,450	67,591,235
Internal Materials and Services	21,918,967	10,031,239	12,820,294	14,098,301	14,089,739
Minor Capital Outlay	7,534,031	5,883,982	10,027,387	6,885,794	6,885,794
Equipment Cash Transfers	16,070	4,750	35,292	0	0
Total Operating Budget	121,190,819	111,838,242	146,765,713	128,466,188	128,466,172
Capital Improvements	15,178,165	9,117,357	20,178,491	8,094,540	8,245,669
TOTAL BUREAU EXPENDITURES	\$ 136,368,984	\$ 120,955,599	\$ 166,944,204	\$ 136,560,728	\$ 136,711,841
Allocated Overhead	2,370,551	2,350,447	2,452,456	2,564,242	2,743,404
Total Cost with Allocated Overhead	138,739,535	123,306,046	169,396,660	139,124,970	139,455,245
RESOURCES					
Resources					
BGS-Facilities Services	25,969,840	18,731,332	25,281,332	18,521,223	18,521,279
BGS-Printing & Distribution	6,713,461	6,065,500	6,965,994	6,411,300	6,338,410
BGS-Risk	8,973,620	8,484,499	11,097,913	11,243,300	11,283,300
BGS-Vehicle Services	18,454,952	16,748,661	24,884,123	20,092,376	20,092,376
Communication Services	10,693,843	11,352,500	18,256,311	10,759,587	10,760,574
Health Insurance	29,617,641	36,297,166	39,889,507	31,474,630	31,474,630
Information Services	16,071,178	8,242,852	19,560,702	16,368,576	16,351,364
Discretionary General Fund	5,203,003	4,329,789	3,243,789	2,839,246	2,696,077
Total Discretionary Revenues	121,697,538	110,252,299	149,179,671	117,710,238	117,518,010
Non-Discretionary Revenues					
Interagency Revenues	6,934,908	3,436,302	11,354,747	12,071,877	12,272,049
Bureau Program Revenues	795,799	785,135	1,235,553	1,450,073	1,450,073
Overhead Revenues	6,940,739	6,481,863	5,174,233	5,328,540	5,471,709
Total Non-Discretionary Revenues	14,671,446	10,703,300	17,764,533	18,850,490	19,193,831
TOTAL RESOURCES	136,368,984	\$ 120,955,599	\$ 166,944,204	\$ 136,560,728	\$ 136,711,841
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
DIVISIONS					
Health Administration	29,617,641	36,297,166	39,889,507	31,474,630	31,474,630
<i>Positions</i>	0	7	6	6	6
Financial Planning	0	0	0	0	0
<i>Positions</i>	0	0	0	0	0
OMF Business Operations	7,947,930	3,178,996	4,543,802	5,057,988	5,118,160
<i>Positions</i>	64	25	35	33	34
BGS Business Operations	0	4	322,795	343,140	343,140
<i>Positions</i>	0	0	3	3	3
Financial Management	6,356,213	5,571,877	7,454,552	7,275,889	7,415,889
<i>Positions</i>	62	62	58	58	58
Human Resources	3,033,851	3,515,657	5,610,216	5,657,633	5,657,633
<i>Positions</i>	34	37	55	53	53
Information Technology	16,071,213	8,242,852	19,560,702	16,368,576	16,351,364
<i>Positions</i>	50	50	129	127	128
Risk Management	8,973,620	8,484,499	11,097,913	11,243,300	11,283,300
<i>Positions</i>	0	27	19	18	18
Printing & Distribution Services	6,713,461	6,065,500	6,965,994	6,411,300	6,338,410
<i>Positions</i>	31	29	29	27	27
Vehicle Services	18,454,952	16,748,661	24,884,123	20,092,376	20,092,376
<i>Positions</i>	81	83	83	83	83
Facilities Services	25,969,840	18,731,332	25,281,332	18,521,223	18,521,279
<i>Positions</i>	37	37	35	35	35
Communication Services	10,693,843	11,352,500	18,256,311	10,759,587	10,760,574
<i>Positions</i>	35	38	38	42	42
Bureau of Purchases	2,536,420	2,766,555	3,076,957	3,355,086	3,355,086

DIVISIONS		<i>28</i>	<i>28</i>	<i>29</i>	<i>27</i>	<i>27</i>
<i>Positions</i>						
TOTAL DIVISIONS	\$	136,368,984	\$ 120,955,599	\$ 166,944,204	\$ 136,560,728	\$ 136,711,841
<i>Positions</i>		422	423	519	512	514
<i>General Fund Discretionary Positions</i>		44	63	46	44	44

OMF Business Operations

OVERVIEW

The OMF Business Operations program includes the Chief Administrative Officer's (CAO's) office, OMF Business Operations, and Risk Business Operations. The CAO's office provides leadership and direction for the Office of Management and Finance as well as support of special projects. OMF Business Operations and Risk Business Operations are administrative arms of OMF, providing management, support, and coordination for all OMF internal business operations.

CHANGES FROM PRIOR YEAR

FY 2002-03 Budget Decisions

CAO's Office

The CAO's special projects team is effectively reduced by .65 FTE through reallocation of staff time to other OMF program areas, such as Spectator Facilities and Employee Benefits. The reduction in dedicated staff to the CAO will reduce the ability to respond to new Council projects and/or may negatively impact the quality of work or turnaround time.

Project Funding

OMF Business Operations' budget is reduced by approximately \$173,000. Materials and services have been significantly reduced, which decreases the CAO's ability to support unplanned projects and to fund projects currently underway which are expected to have ongoing financial requirements - e.g. implementation of GASB 34, e-government and e-commerce efforts, and continued work with regard to Administrative Services Review framework plans.

Budget reductions will impact OMF's ability to support various projects.

Public Information Activities

A Program Manager II position has been added to assist OMF, the Portland Department of Transportation (PDOT), and the Bureau of Planning with public information activities. Interagencies with PDOT and Planning each support one-third of the position, respectively. OMF's discretionary target has been adjusted to support its one-third of the position.

Municipal Marketing Partnership Program

The Adopted Budget provides for the implementation of a municipal marketing partnership program. Under such a program, the City would enter into contracts with corporations and collect fees for providing commercial marketing opportunities through sponsorships and advertising. Program expenses are estimated to be \$121,000 per year. Projected net revenue is \$25,000, which will be utilized to offset staff costs.

Organizational Efficiencies

To achieve internal organizational efficiencies, budget development and monitoring for the Bureaus of Purchases, Human Resources, and Information Technology will become centralized in OMF Business Operations within current resources. This will allow the bureaus to redirect staff to other critical services, while preserving the bureau directors' ability to shape and manage budget.

Overview of Programs

CAO'S OFFICE

The Chief Administrative Officer's office provides leadership and management for all OMF programs and activities. In addition, the program also provides advice to the Council and City bureaus in Citywide matters, both within and beyond the scope of services delivered by OMF, as well as leadership and/or participation in a variety of Council special projects and economic development projects.

OMF BUSINESS OPERATIONS

OMF Business Operations is an administrative arm of OMF, which provides management, support, and coordination for all OMF internal business operations.

RISK BUSINESS OPERATIONS

Risk Business Operations is an administrative arm of OMF, providing management, support, and coordination for activities related to the Risk Management Division of the Bureau of General Services and the Workers Compensation and Insurance and Claims funds.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	4,189,368	2,181,981	2,682,454	2,677,287	2,767,545
External Materials and Services	1,375,159	332,305	1,050,999	1,229,729	1,229,729
Internal Materials and Services	2,383,403	664,710	810,349	1,150,972	1,120,886
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	7,947,930	3,178,996	4,543,802	5,057,988	5,118,160
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 7,947,930	\$ 3,178,996	\$ 4,543,802	\$ 5,057,988	\$ 5,118,160
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	7,947,930	3,178,996	4,543,802	5,057,988	5,118,160
RESOURCES					
General Fund Discretionary	1,401,675	353,482	85,251	30,086	30,086
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	5,507,421	1,701,653	4,458,551	4,856,586	4,916,758
Program Revenue	1,166	23,933	0	171,316	171,316
Overhead Recovery	1,037,668	1,099,928	0	0	0
Total Non-Discretionary Revenues	6,546,255	2,825,514	4,458,551	5,027,902	5,088,074
TOTAL GENERAL FUND RESOURCES	7,947,930	\$ 3,178,996	\$ 4,543,802	\$ 5,057,988	\$ 5,118,160
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
CAO'S Office	696,714	391,119	0	401,690	491,948
<i>Positions</i>	<i>0</i>	<i>0</i>	<i>3</i>	<i>3</i>	<i>4</i>
OMF Business Operations	1,916,736	1,267,534	3,939,537	3,986,430	3,956,344
<i>Positions</i>	<i>11</i>	<i>8</i>	<i>25</i>	<i>24</i>	<i>24</i>
Risk Business Operations	3,918,952	120	604,265	669,868	669,868
<i>Positions</i>	<i>36</i>	<i>0</i>	<i>7</i>	<i>6</i>	<i>6</i>
BGS Administrative Services	1,415,528	1,520,223	0	0	0
<i>Positions</i>	<i>17</i>	<i>17</i>	<i>0</i>	<i>0</i>	<i>0</i>
TOTAL PROGRAMS	\$ 7,947,930	\$ 3,178,996	\$ 4,543,802	\$ 5,057,988	\$ 5,118,160
<i>Positions</i>	<i>64</i>	<i>25</i>	<i>35</i>	<i>33</i>	<i>34</i>

OMF Business Operations AU 307 & 346

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,534,673	1,321,872	1,923,836	1,866,733	1,934,969
512000 Part-Time Employees	124,603	65,989	71,664	129,204	129,204
514000 Overtime	2,273	995	3,000	3,005	3,005
515000 Premium Pay	4,989	324	0	0	0
517000 Benefits	1,074,497	533,084	683,954	678,345	700,367
518000 Paid Absence	448,333	259,717	0	0	0
Total Personnel Services	4,189,368	2,181,981	2,682,454	2,677,287	2,767,545
Materials and Services					
External Materials and Services					
521000 Professional Services	572,669	254,363	263,743	262,195	262,195
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	6,614	1,809	101,919	105,102	105,102
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	137,411	4,763	122,000	101,912	101,912
531000 Office Supplies	27,862	13,382	86,798	115,013	115,013
532000 Operating Supplies	2,399	1,098	70,406	118,092	118,092
533000 Repair & Maintenance Supplies	1	0	1,800	23,893	23,893
534000 Minor Equipment & Tools	501,368	26,122	62,404	56,728	56,728
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	844	683	2,500	2,570	2,570
541000 Education	24,126	10,898	81,235	83,510	83,510
542000 Local Travel	5,988	11	2,694	3,076	3,076
543000 Out-of-Town Travel	16,225	7,406	10,887	13,775	13,775
544000 Space Rental	0	0	5,000	0	0
545000 Interest	0	0	1,900	0	0
546000 Refunds	0	0	1,250	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	79,652	11,770	236,463	343,863	343,863
Total External Materials and Services	1,375,159	332,305	1,050,999	1,229,729	1,229,729
Internal Materials and Services					
551000 Fleet Services	6,244	3,255	5,819	5,819	5,819
552000 Printing & Distribution	113,193	15,145	49,263	50,938	50,938
553000 Facilities Services	1,229,245	292,747	208,277	218,978	218,978
554000 Communications Services	70,903	27,200	28,694	38,196	38,196
555000 Data Processing Services	821,770	293,940	72,682	311,020	311,020
556000 Insurance	45,423	22,102	29,830	39,380	39,380
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	92,185	10,321	415,784	486,641	456,555
559000 Other Fund Services	4,440	0	0	0	0
Total Internal Materials and Services	2,383,403	664,710	810,349	1,150,972	1,120,886
Total Materials and Services	3,758,562	997,015	1,861,348	2,380,701	2,350,615
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 7,947,930	\$ 3,178,996	\$ 4,543,802	\$ 5,057,988	\$ 5,118,160

OMF Business Operations AU 307 & 346

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.		No.		No.	
514	Accountant I	3	2	2	76,828	2	80,325	2	80,325
515	Accountant II	4	5	5	225,933	5	243,192	5	243,192
819	Administrative Assistant	0	1	0	0	0	0	0	0
926	Administrative Services Manager	2	1	0	0	1	75,648	1	75,648
815	Administrative Specialist	3	0	0	0	1	35,037	1	35,037
920	Administrative Supervisor I	2	1	0	47,965	0	0	0	0
922	Administrative Supervisor II	0	0	0	0	1	53,855	1	53,855
2534	Applications Analyst IV	0	0	1	67,746	0	0	0	0
826	Assistant Financial Analyst	3	3	3	155,789	3	163,431	3	163,431
962	Assistant Program Specialist	0	0	1	53,810	1	55,583	1	55,583
844	Assistant Risk Specialist	4	0	0	0	0	0	0	0
928	Bureau Administrative Manager	1	1	1	71,219	1	76,567	1	76,567
620	Bureau Human Resources Manager	0	1	0	0	0	0	0	0
840	Chief Administrative Officer	0	1	1	119,746	1	128,747	1	128,747
932	Chief Bureau Administrative Mgr	0	1	1	89,856	1	92,812	1	92,812
859	Claims Technician	2	0	0	0	0	0	0	0
858	Claims Technician, Assistant	3	0	0	0	0	0	0	0
114	Clerical Specialist	2	0	0	0	0	0	0	0
817	Director's Administrative Assist	0	0	1	45,136	1	48,546	1	48,546
837	Finance & Admin Director	1	0	0	0	0	0	0	0
827	Financial Analyst	0	0	1	59,613	0	0	0	0
838	General Services Director	1	1	0	0	0	0	0	0
2542	Information Systems Analyst II	1	0	2	103,055	0	0	0	0
2543	Information Systems Analyst III	1	0	1	63,773	0	0	0	0
951	Management Analyst	2	0	0	0	0	0	0	0
102	Office Support Specialist II	0	2	7	222,477	6	211,326	6	211,326
106	Office Support Specialist, Lead	0	0	1	40,498	1	41,823	1	41,823
953	Principal Management Analyst	2	0	0	0	0	0	0	0
968	Program Manager I	1	1	1	61,162	1	64,572	1	64,572
970	Program Manager II	0	0	0	0	0	0	1	68,236
972	Program Manager IV	0	0	0	0	1	87,966	1	87,966
973	Program Manager V	1	1	1	94,598	0	0	0	0
964	Program Specialist	1	0	0	0	0	0	0	0
853	Risk Management Director	1	0	0	0	0	0	0	0
846	Risk Specialist	3	0	0	0	0	0	0	0
850	Risk Supervisor	3	0	1	69,555	1	71,848	1	71,848
220	Secretarial Clerk I	1	0	0	0	0	0	0	0
221	Secretarial Clerk II	4	0	0	0	0	0	0	0
816	Senior Administrative Specialist	4	0	0	0	0	0	0	0
930	Senior Bureau Administrative Mgr	0	0	1	81,120	1	83,791	1	83,791
828	Senior Financial Analyst	0	0	0	0	1	60,844	1	60,844
952	Senior Management Analyst	3	3	3	173,957	3	190,820	3	190,820
848	Senior Risk Specialist	4	0	0	0	0	0	0	0
115	Supervising Clerk	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		64	25	35	\$ 1,923,836	33	\$ 1,866,733	34	\$ 1,934,969

OMF Business Operations AU 307 & 346

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	5,053,289	0	5,053,289	37.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(193,788)	0	(193,788)	0.0	OMF Admin M&S Reductions
	121,000	0	121,000	0.0	Municipal Marketing Program
	116,999	0	116,999	1.0	Program Manager IV -- Limited Term
	30,086	0	30,086	0.0	Public Information Officer I/A
	(52,860)	0	(52,860)	(1.0)	Risk Management Reductions
	(16,738)	0	(16,738)	0.0	Internal Service Reductions & Adjustments
	0	0	0	(3.0)	Net of Transfer of OMF Desktop Staff to BIT
	0	0	0	(1.0)	Reduction of 1 FTE to Part-time - Savings
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	60,172	0	60,172	1.0	I/A for Public Information Officer
	64,871	0	64,871	(3.0)	Total FY 2002-03 Decision Packages
			\$ 5,118,160	34.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

BGS Business Operations

OVERVIEW

The Bureau of General Services (BGS) Business Operations program provides management and coordination for the Bureau of General Services' divisions. These include Vehicle Services, Facilities Services, Printing & Distribution, and Risk Management. This program also includes management of the City's Smart Park system of garages. The program is funded by interagency agreements from the bureau's divisions and the Parking Fund.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	0	0	280,643	293,654	293,654
External Materials and Services	0	4	24,721	29,108	29,108
Internal Materials and Services	0	0	17,431	20,378	20,378
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	0	4	322,795	343,140	343,140
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 0	\$ 4	\$ 322,795	\$ 343,140	\$ 343,140
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	0	4	322,795	343,140	343,140
RESOURCES					
General Fund Discretionary	0	4	0	0	0
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	322,795	343,140	343,140
Program Revenue	0	0	0	0	0
Total Non-Discretionary Revenues	0	0	322,795	343,140	343,140
TOTAL GENERAL FUND RESOURCES	0	\$ 4	\$ 322,795	\$ 343,140	\$ 343,140
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
BGS Business Operations	0	4	322,795	343,140	343,140
<i>Positions</i>	0	0	3	3	3
TOTAL PROGRAMS	\$ 0	\$ 4	\$ 322,795	\$ 343,140	\$ 343,140
<i>Positions</i>	0	0	3	3	3

BGS Business Operations AU 307

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	0	0	211,837	221,537	221,537
517000 Benefits	0	0	68,806	72,117	72,117
Total Personnel Services	0	0	280,643	293,654	293,654
Materials and Services					
External Materials and Services					
521000 Professional Services	0	0	900	1,491	1,491
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	0	0	0	0	0
531000 Office Supplies	0	4	234	3,148	3,148
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	1,913	2,913	2,913
534000 Minor Equipment & Tools	0	0	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	0	0	1,200	2,670	2,670
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	0	0	1,250	2,785	2,785
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	0	0	19,224	16,101	16,101
Total External Materials and Services	0	4	24,721	29,108	29,108
Internal Materials and Services					
551000 Fleet Services	0	0	720	745	745
552000 Printing & Distribution	0	0	1,467	1,517	1,517
553000 Facilities Services	0	0	10,360	10,788	10,788
554000 Communications Services	0	0	2,060	2,511	2,511
555000 Data Processing Services	0	0	1,284	1,348	1,348
556000 Insurance	0	0	1,540	1,669	1,669
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	0	0	0	1,800	1,800
Total Internal Materials and Services	0	0	17,431	20,378	20,378
Total Materials and Services	0	4	42,152	49,486	49,486
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 0	\$ 4	\$ 322,795	\$ 343,140	\$ 343,140

BGS Business Operations AU 307

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
920	Administrative Supervisor I	0	0	1	53,810	1	55,583	1	55,583
838	General Services Director	0	0	1	94,598	1	97,718	1	97,718
970	Program Manager II	0	0	1	63,429	1	68,236	1	68,236
TOTAL FULL-TIME POSITIONS		0	0	3	\$ 211,837	3	\$ 221,537	3	\$ 221,537

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	343,140	0	343,140	3.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	0	0	0	0.0	None
	0	0	0	0.0	0
	0	0	0	0.0	0
	0	0	0	0.0	0
	0	0	0	0.0	0
	0	0	0	0.0	0
	0	0	0	0.0	0
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	0	0	0	0.0	Total FY 2002-03 Decision Packages
			\$ 343,140	3.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Facilities Services

OVERVIEW

Facilities Services manages the City's facility requirements, except for buildings owned and operated by the bureaus of Water; Environmental Services; Parks and Recreation; and Fire, Rescue and Emergency Services.

Facilities Services works to ensure City buildings are structurally sound and well maintained.

The division's activities include:

- ◆ Facility planning
- ◆ Remodeling and new construction project management
- ◆ Real property management
- ◆ Building maintenance

Facilities Services fully recovers its operational and maintenance costs through interagency rental rate charges. Customers may also choose to enter into service agreements for the provision of a variety of discretionary facility related services.

FY 2001-02 Accomplishments

Facilities had a number of accomplishments in FY 2001-02. Two fire and rescue stations were renovated and occupied, and several major capital improvement projects for the Portland Building, 1900 Building, and Police facilities were completed. In addition, measures were taken to enhance City facility security, as September 11 demonstrated the need for heightened security.

FY 2002-03 Major Initiatives

In FY 2002-03, Facilities will construct four new fire stations and complete three station renovations. With these projections, 11 of the 21 fire station renovations approved and funded through the November 1998 bond measure will be complete and reoccupied. It should also be noted that the new stations are being constructed, using the U.S. Green Building Council's Leadership in Energy and Environmental Design (LEED) program as a guideline to achieve City sustainability objectives.

CHANGES FROM PRIOR YEAR

Budget Decisions

The Facilities Services' Adopted Budget reflects a 27% reduction from the FY 2001-02 Revised Budget. The reductions are a result of reduced capital requirements and major maintenance reserves for City Hall, the 1900 Building, and Police and Vehicle Services' facilities due to project completion.

Additionally, voluntary 7% reductions were made to achieve savings for Facilities' customers in light of the City's financial challenges. Those reductions will result in diminished service levels including:

- ◆ Reduced major maintenance reserves
- ◆ Lower repair and preventative maintenance levels
- ◆ Lower levels of janitorial services for the Portland Building, City Hall, the 1900 Building, and Police facilities

Reductions may also have the impact of increasing future costs.

As a result of September 11, the FY 2002-03 budget provides for expanded security for the Portland Building, the 1900 Building, City Hall, Justice Center, and the Portland 911 Communications Center.

Overview of Programs

PROPERTY MANAGEMENT

Property Management is responsible for the City's real properties and provides the following services:

- ◆ Evaluation of real property transactions
- ◆ Negotiation of the acquisition and disposal of real property
- ◆ Management of the City's commercial property leases and rentals
- ◆ Evaluation and disposal of unassigned or surplus property

PROJECT MANAGEMENT

Project Management provides construction planning and management services, including:

- ◆ Construction cost estimates
- ◆ Consultant selection and management
- ◆ Capital improvement project planning
- ◆ Coordination of moves
- ◆ Construction management
- ◆ Record-keeping for construction and related contract documents

OPERATIONS & MAINTENANCE

Operations and Maintenance's activities include:

- ◆ Development and implementation of security policies and procedures
- ◆ Operation of a 24 hour, seven-day-a-week building maintenance and repair program
- ◆ Management of the operations and maintenance dispatch center
- ◆ Management of the facility center work order management system
- ◆ Preventive maintenance of building systems, including HVAC, electrical, and plumbing
- ◆ Annual building inspection program to protect the City's buildings infrastructure
- ◆ Administration of custodial contracts
- ◆ Management of the elevator program
- ◆ Recycling and waste management services
- ◆ Landscape services for building grounds

ADMINISTRATIVE SUPPORT

Administrative Support provides overall management and support to Facilities Services. This program's budget includes the interagency service agreements with OMF Business Operations and BGS Business Operations as the providers of administrative and financial services, include rate setting, budgeting, and billing.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,904,704	2,242,726	2,520,502	2,211,512	2,211,377
External Materials and Services	8,559,140	7,679,108	13,024,539	8,135,421	7,984,285
Internal Materials and Services	1,101,292	1,249,425	1,335,793	1,543,106	1,543,304
Minor Capital Outlay	0	11,465	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	11,565,136	11,182,724	16,880,834	11,890,039	11,738,966
Capital Improvements	14,404,704	7,548,608	8,400,498	6,631,184	6,782,313
TOTAL BUREAU EXPENDITURES	\$ 25,969,840	\$ 18,731,332	\$ 25,281,332	\$ 18,521,223	\$ 18,521,279
Allocated Overhead	870,609	706,480	831,782	842,114	925,154
Total Cost with Allocated Overhead	26,840,449	19,437,812	26,113,114	19,363,337	19,446,433
RESOURCES					
Facilities Services Fund	25,969,840	18,731,332	25,281,332	18,521,223	18,521,279
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Operations & Maintenance	0	0	0	10,697,054	10,570,175
<i>Positions</i>	0	0	0	23	23
Building Operations	607	4,305,191	376,764	0	0
<i>Positions</i>	0	3	3	0	0
Property Management	417,601	1,113,802	167,914	189,077	189,081
<i>Positions</i>	2	2	2	3	3
Project Management	14,081,209	7,123,625	14,205,018	6,775,715	6,926,843
<i>Positions</i>	12	9	8	8	8
Facilities Maintenance	10,457,666	5,298,807	9,636,878	0	0
<i>Positions</i>	19	21	21	0	0
Administrative Support	1,012,757	889,907	894,758	859,377	835,180
<i>Positions</i>	4	2	1	1	1
TOTAL PROGRAMS	\$ 25,969,840	\$ 18,731,332	\$ 25,281,332	\$ 18,521,223	\$ 18,521,279
<i>Positions</i>	37	37	35	35	35

Facilities Services AU 732

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,461,924	1,553,914	1,854,928	1,910,835	1,910,700
512000 Part-Time Employees	4,756	37,648	0	0	0
514000 Overtime	65,695	75,539	45,135	39,240	39,240
515000 Premium Pay	32,632	31,541	18,181	18,704	18,704
517000 Benefits	631,804	671,259	726,645	808,117	808,117
518000 Paid Absence	251,047	304,729	0	0	0
Total Personnel Services	2,447,858	2,674,630	2,644,889	2,776,896	2,776,761
Materials and Services					
External Materials and Services					
521000 Professional Services	1,296,905	1,558,148	2,551,354	1,248,360	1,248,360
522000 Utilities	1,426,457	1,555,618	1,922,008	2,777,309	2,777,309
523000 Equipment Rental	17,858	7,561	0	0	0
524000 Repair & Maintenance Services	3,222,140	3,234,848	4,021,566	3,724,258	3,693,168
525000 Non-Capital Improvement	5,038,996	3,399,448	7,105,315	4,261,826	4,412,955
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	1,798,550	1,197,839	113,594	11,622	11,622
531000 Office Supplies	15,015	14,935	7,520	8,840	8,840
532000 Operating Supplies	91,012	100,968	77,329	103,826	53,326
533000 Repair & Maintenance Supplies	339,212	349,381	200,446	350,078	350,078
534000 Minor Equipment & Tools	3,266,914	793,462	94,980	51,681	51,681
535000 Clothing & Uniforms	1,254	1,472	1,381	2,286	2,286
539000 Other Commodities External	184	569	0	0	0
541000 Education	16,296	13,457	17,494	18,701	18,701
542000 Local Travel	1,803	1,972	2,111	1,220	1,220
543000 Out-of-Town Travel	3,529	539	740	567	567
544000 Space Rental	1,045,628	763,870	917,262	0	779,515
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	847,963	632,183	974,709	1,444,498	595,437
Total External Materials and Services	18,429,716	13,626,270	18,007,809	14,005,072	14,005,065
Internal Materials and Services					
551000 Fleet Services	54,352	64,494	58,162	59,950	59,950
552000 Printing & Distribution	53,893	38,911	51,734	54,716	54,716
553000 Facilities Services	0	2,459	0	0	0
554000 Communications Services	605,453	298,694	441,253	461,448	461,448
555000 Data Processing Services	70,816	56,028	54,659	53,743	53,743
556000 Insurance	92,639	116,141	117,146	199,360	199,360
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	772,307	855,690	869,152	910,038	910,236
Total Internal Materials and Services	1,649,460	1,432,417	1,592,106	1,739,255	1,739,453
Total Materials and Services	20,079,176	15,058,687	19,599,915	15,744,327	15,744,518
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	3,442,806	986,550	2,996,528	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	11,465	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	3,442,806	998,015	2,996,528	0	0
573000 Equipment Cash Transfers	0	0	40,000	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 25,969,840	\$ 18,731,332	\$ 25,281,332	\$ 18,521,223	\$ 18,521,279

Facilities Services AU 732

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	1	1	1	48,114	1	48,255	1	48,255
3134	Architect	1	0	0	0	0	0	0	0
962	Assistant Program Specialist	1	1	1	47,596	2	99,547	2	99,547
1052	Assistant Trades Supervisor	2	2	2	103,836	2	110,216	2	110,216
3164	Engineer	1	1	1	67,642	1	67,902	1	67,902
1136	Facilities & Maintenance Manager	1	1	1	77,064	1	72,977	1	72,977
1115	Facilities Maintenance Tech	13	12	12	528,900	12	546,351	12	546,216
1116	Facilities Maintenance Tech Lead	2	2	2	90,334	2	95,546	2	95,546
1140	Facilities Services Manager	0	1	0	0	1	92,812	1	92,812
2542	Information Systems Analyst II	0	1	0	0	0	0	0	0
102	Office Support Specialist II	0	2	2	84,198	0	0	0	0
966	Program Coordinator	1	1	1	57,824	1	60,037	1	60,037
968	Program Manager I	0	1	1	57,074	1	61,364	1	61,364
970	Program Manager II	7	9	8	496,439	8	516,207	8	516,207
972	Program Manager IV	1	0	1	89,856	0	0	0	0
960	Program Technician	0	0	0	0	2	74,726	2	74,726
221	Secretarial Clerk II	2	1	1	43,235	0	0	0	0
3108	Technician II	1	0	0	0	0	0	0	0
3109	Technician III	2	0	0	0	0	0	0	0
1054	Trades Supervisor	1	1	1	62,816	1	64,895	1	64,895
TOTAL FULL-TIME POSITIONS		37	37	35	\$ 1,854,928	35	\$ 1,910,835	35	\$ 1,910,700

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	19,864,703	0	19,864,703	36.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(191,989)	0	(191,989)	(1.0)	7% Rate Reductions (Non-Fund level)
	(185,512)	0	(185,512)	0.0	Bureau Reductions in Service
	54,700	0	54,700	0.0	City Hall Security
	(275,250)	0	(275,250)	0.0	Capital Project Adjustments (SPARC, PCC, BIT)
	(934,536)	0	(934,536)	0.0	Service Level Adjustment with BFRES GO Bond
	(6,616)	0	(6,616)	0.0	Internal Service Fund Savings
	195,723	0	195,723	0.0	Technical Adjustments
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	198	198	0.0	COPPEA Professional Development
	(142)	0	(142)	0.0	Technical Adjustments
	(1,343,622)	198	(1,343,424)	(1.0)	Total FY 2002-03 Decision Packages
			\$ 18,521,279	35.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Printing & Distribution Services

OVERVIEW

Printing and Distribution (P&D) provides services to City bureaus, Multnomah County, the State of Oregon, and other governmental agencies.

Services include traditional printing and bindery, electronic printing and pre-press, inserting and addressing of mail, microfilming, blueprinting, purchasing, maintaining copy machines, xerographing, and mail processing and delivering of interoffice and U.S. mail and supplies. Most services are provided in house with approximately 30% of reproduction work done by outside vendors.

Competitive rates and quality service have yielded a broader customer base.

Productivity gains have been achieved by ongoing investment in new, technologically advanced equipment, while at the same time minimizing rate increases. For example, customers are consuming more of P&D's digital printing services, which results in higher productivity and a better quality product. P&D's rate for basic copy center services has remained flat for the past four years. Over the past 10 years, the rates for all other P&D service elements have increased less than the rate of inflation.

P&D has been entrepreneurial as well by securing work from other regional governmental agencies by successful competitive bid. The increased customer base benefits City customers by keeping rates as low as possible.

CHANGES FROM PRIOR YEAR

Printing & Distribution's FY 2002-03 Adopted Budget reflects an 8% reduction and the elimination of two positions. The reductions are attributable to lower service levels being requested by bureaus due in large part to the increased use of technology for disseminating information.

Overview of Programs

COPY SERVICES

Copy Services provides consultation to determine and procure the appropriate equipment to meet the business needs of the customer. The provision of paper supplies and management of the vendor maintenance contract are also responsibilities of the program.

DISTRIBUTION

Distribution provides delivery of incoming and outgoing interoffice and U.S. mail and print shop orders. Special deliveries are available by request.

DUPLICATING

P&D's main print shop provides traditional in-house and vended duplicating services to its internal and external customers. Inserting and addressing, photographic and graphics services, variable data services, electronic printing, printing on demand, and digital pre-press services are also available.

Two downtown locations serve customers.

Printing & Distribution's site at the Development Building offers reprographics services to City agencies and the public doing business with the City. This facility also offers limited copy center services to building tenants.

MICROFILM

Microfilm provides 16 and 35 mm filming, processing, jacketing, indexing, and duplicating services. The program also provides secure off-site storage for archived film.

OPERATIONS

Operations provides overall management and administrative support to the other programs in Printing and Distribution. In addition, this program's budget includes the interagency service agreement with OMF Business Operations and BGS Business Operations, which provide financial and other administrative support services for Printing and Distribution.

Printing & Distribution Services AU 354

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,769,365	1,724,416	1,829,368	1,715,477	1,715,477
External Materials and Services	3,810,619	3,373,644	3,848,379	3,690,882	3,617,992
Internal Materials and Services	633,592	681,327	702,747	630,635	630,635
Minor Capital Outlay	499,885	286,113	585,500	374,306	374,306
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	6,713,461	6,065,500	6,965,994	6,411,300	6,338,410
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 6,713,461	\$ 6,065,500	\$ 6,965,994	\$ 6,411,300	\$ 6,338,410
Allocated Overhead	253,183	222,758	228,723	183,276	199,236
Total Cost with Allocated Overhead	6,966,644	6,288,258	7,194,717	6,594,576	6,537,646
RESOURCES					
Print/Dist Services Operating Fund	6,713,461	6,065,500	6,965,994	6,411,300	6,338,410
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Copy Services	342,131	390,607	404,582	534,741	534,741
<i>Positions</i>	1	1	1	1	1
Distribution	2,062,168	1,695,628	1,960,223	1,924,084	1,886,046
<i>Positions</i>	6	3	4	4	4
Duplicating	3,305,213	2,967,177	3,466,356	2,930,199	2,895,347
<i>Positions</i>	20	19	19	16	16
Microfilm	94,207	126,453	210,261	259,657	259,657
<i>Positions</i>	2	2	2	3	3
Operations	909,742	885,635	924,572	762,619	762,619
<i>Positions</i>	3	3	3	3	3
Non-Budget	0	0	0	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 6,713,461	\$ 6,065,500	\$ 6,965,994	\$ 6,411,300	\$ 6,338,410
<i>Positions</i>	31	29	29	27	27

Printing & Distribution Services AU 354

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	985,022	981,750	1,207,919	1,176,892	1,176,892
512000 Part-Time Employees	23,244	22,730	45,500	40,061	40,061
514000 Overtime	60,334	35,969	78,500	27,500	27,500
515000 Premium Pay	31,819	19,895	25,500	16,000	16,000
517000 Benefits	475,078	465,363	471,949	455,024	455,024
518000 Paid Absence	193,868	198,709	0	0	0
Total Personnel Services	1,769,365	1,724,416	1,829,368	1,715,477	1,715,477
Materials and Services					
External Materials and Services					
521000 Professional Services	0	3,000	2,000	2,000	2,000
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	43,640	86,985	88,000	90,150	90,150
524000 Repair & Maintenance Services	462,321	488,555	402,209	514,950	514,950
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	2,552,382	2,146,508	2,594,988	2,443,452	2,370,562
531000 Office Supplies	4,496	2,827	4,100	4,020	4,020
532000 Operating Supplies	667,833	580,888	667,382	560,900	560,900
533000 Repair & Maintenance Supplies	8,691	12,833	5,700	7,500	7,500
534000 Minor Equipment & Tools	49,102	26,591	43,000	26,310	26,310
535000 Clothing & Uniforms	3,119	2,079	1,500	1,200	1,200
539000 Other Commodities External	296	174	0	0	0
541000 Education	5,436	9,312	22,500	12,300	12,300
542000 Local Travel	3,745	3,765	3,000	3,500	3,500
543000 Out-of-Town Travel	8,045	1,435	11,000	5,000	5,000
544000 Space Rental	344	0	3,000	14,600	14,600
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	1,169	8,692	0	5,000	5,000
Total External Materials and Services	3,810,619	3,373,644	3,848,379	3,690,882	3,617,992
Internal Materials and Services					
551000 Fleet Services	29,578	29,291	34,406	33,202	33,202
552000 Printing & Distribution	0	0	0	0	0
553000 Facilities Services	186,110	174,121	187,364	183,558	183,558
554000 Communications Services	33,481	28,715	31,655	33,272	33,272
555000 Data Processing Services	162,529	219,178	200,742	137,427	137,427
556000 Insurance	38,757	42,612	42,022	47,011	47,011
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	183,137	187,410	206,558	196,165	196,165
Total Internal Materials and Services	633,592	681,327	702,747	630,635	630,635
Total Materials and Services	4,444,211	4,054,971	4,551,126	4,321,517	4,248,627
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	499,885	286,113	585,500	374,306	374,306
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	499,885	286,113	585,500	374,306	374,306
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 6,713,461	\$ 6,065,500	\$ 6,965,994	\$ 6,411,300	\$ 6,338,410

Printing & Distribution Services AU 354

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
515	Accountant II	1	1	1	47,445	1	49,005	1	49,005
337	Distribution Technician	5	3	4	146,676	4	151,924	4	151,924
339	Distribution Technician, Lead	0	1	1	38,605	1	39,881	1	39,881
346	Electronic Pre-Press Oper Lead	1	1	1	46,238	1	47,753	1	47,753
345	Electronic Pre-Press Operator	2	2	2	78,210	1	41,447	1	41,447
102	Office Support Specialist II	1	1	1	34,320	1	35,454	1	35,454
341	Print & Dist Cust Svc Rep Lead	1	1	1	46,064	1	47,753	1	47,753
340	Print & Distrib Cust Svc Rep	0	2	3	116,311	3	122,148	3	122,148
966	Program Coordinator	1	1	1	53,938	1	58,001	1	58,001
968	Program Manager I	1	1	1	62,816	1	64,895	1	64,895
972	Program Manager IV	1	1	1	83,774	1	88,064	1	88,064
350	Reprographic Operator I	10	8	6	200,554	6	210,720	6	210,720
351	Reprographic Operator II	6	4	4	160,492	3	124,341	3	124,341
353	Reprographic Operator III	2	2	2	92,476	2	95,506	2	95,506
TOTAL FULL-TIME POSITIONS		31	29	29	\$ 1,207,919	27	\$ 1,176,892	27	\$ 1,176,892

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	6,451,986	0	6,451,986	29.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(106,690)	0	(106,690)	(2.0)	Business slow down adjustment
	(9,826)	0	(9,826)	0.0	7% Reductions -- Internal Service Funds
	15,451	0	15,451	0.0	Adjustment for Copier Replacement & BES Transfer
	60,379	0	60,379	0.0	Revised M&S expenses -- Bureau Adjustments
Approved Budget Additions and Reductions					
	(72,890)	0	(72,890)	0.0	Response to Parks Bond Levy Failure
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	(113,576)	0	(113,576)	(2.0)	Total FY 2002-03 Decision Packages
			\$ 6,338,410	27.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Risk Management

OVERVIEW

The City self insures its general and fleet liability and workers' compensation programs.

Risk Management provides management and administration of the City's self-insured Workers' Compensation and Liability Insurance Programs. Additionally, it provides leadership in loss prevention activities in order to minimize claims exposure and resulting claims costs.

CHANGES FROM PRIOR YEAR

Reductions will impact loss prevention activities at a time when claims costs are increasing.

Similar to other OMF internal service funds, Risk Management voluntarily reduced operating costs by 7% (\$178,352), in response to the City's fiscal challenges. The reductions were achieved through the elimination of the Loss Control Manager position, a reduction in Risk's interagency with OMF Business Operations, which equates to the loss of one clerical position dedicated to Risk activities, and miscellaneous reductions in materials and services.

Overview of Programs

INSURANCE & CLAIMS ADMINISTRATION/CLAIMS

The Insurance and Claims Program manages and administers the City's self-insured fleet and general liability program, the commercial insurance portfolio, and provides Citywide leadership in loss prevention.

WORKERS COMPENSATION ADMIN/CLAIMS

The Workers' Compensation Program manages and administers the City's self-insured Workers' Compensation self-insurance program and collaborates with the Insurance and Claims Program in Citywide loss prevention activities aimed toward minimizing occupational injury and illness.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	0	1,686,927	1,419,089	1,345,977	1,345,977
External Materials and Services	4,837,366	4,805,320	7,384,594	7,523,088	7,563,088
Internal Materials and Services	4,136,254	1,992,252	2,294,230	2,374,235	2,374,235
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	8,973,620	8,484,499	11,097,913	11,243,300	11,283,300
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 8,973,620	\$ 8,484,499	\$ 11,097,913	\$ 11,243,300	\$ 11,283,300
Allocated Overhead	282,666	269,612	262,653	269,227	274,239
Total Cost with Allocated Overhead	9,256,286	8,754,111	11,360,566	11,512,527	11,557,539
RESOURCES					
Insurance and Claims Operating Fund	8,973,620	8,484,499	11,097,913	11,243,300	11,283,300
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Insurance & Claims Administration/ Positions	5,397,783 0	4,762,077 14	6,565,447 10	6,791,970 9	6,831,970 9
Workers Compensation Admin/Claims Positions	3,575,837 0	3,722,422 13	4,532,466 10	4,451,330 9	4,451,330 9
TOTAL PROGRAMS	\$ 8,973,620	\$ 8,484,499	\$ 11,097,913	\$ 11,243,300	\$ 11,283,300
Positions	0	27	19	18	18

Risk Management AU 572 & 577

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	0	1,049,939	1,042,160	1,014,282	1,014,282
512000 Part-Time Employees	0	16,552	17,160	0	0
515000 Premium Pay	0	100	0	0	0
517000 Benefits	0	419,608	359,769	331,695	331,695
518000 Paid Absence	0	200,728	0	0	0
Total Personnel Services	0	1,686,927	1,419,089	1,345,977	1,345,977
Materials and Services					
External Materials and Services					
521000 Professional Services	870,587	441,591	335,885	331,013	371,013
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	5,508	5,478	5,632	5,632
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	3,966,779	4,280,992	6,935,177	7,082,363	7,082,363
531000 Office Supplies	0	8,954	13,404	13,780	13,780
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	15,104	14,716	15,128	15,128
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	0	10,925	9,154	9,410	9,410
542000 Local Travel	0	2,975	9,696	9,968	9,968
543000 Out-of-Town Travel	0	5,951	9,320	7,580	7,580
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	0	33,320	51,764	48,214	48,214
Total External Materials and Services	4,837,366	4,805,320	7,384,594	7,523,088	7,563,088
Internal Materials and Services					
551000 Fleet Services	0	2,767	5,570	5,150	5,150
552000 Printing & Distribution	325	25,867	51,472	36,100	36,100
553000 Facilities Services	0	165,015	103,718	91,167	91,167
554000 Communications Services	0	32,931	24,576	24,753	24,753
555000 Data Processing Services	0	93,137	66,598	65,778	65,778
556000 Insurance	0	26,831	17,628	17,020	17,020
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	4,135,929	1,645,704	2,024,668	2,134,267	2,134,267
Total Internal Materials and Services	4,136,254	1,992,252	2,294,230	2,374,235	2,374,235
Total Materials and Services	8,973,620	6,797,572	9,678,824	9,897,323	9,937,323
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 8,973,620	\$ 8,484,499	\$ 11,097,913	\$ 11,243,300	\$ 11,283,300

Risk Management AU 572 & 577

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
920	Administrative Supervisor I	0	1	0	0	0	0	0	0
844	Assistant Risk Specialist	0	2	2	92,504	2	99,333	2	99,333
928	Bureau Administrative Manager	0	1	1	77,064	1	79,595	1	79,595
859	Claims Technician	0	3	3	115,752	3	119,580	3	119,580
858	Claims Technician, Assistant	0	2	2	64,184	2	68,601	2	68,601
2543	Information Systems Analyst III	0	1	0	0	0	0	0	0
102	Office Support Specialist II	0	5	0	0	0	0	0	0
106	Office Support Specialist, Lead	0	1	0	0	0	0	0	0
853	Risk Management Director	0	1	1	89,856	1	92,812	1	92,812
846	Risk Specialist	0	2	2	112,648	2	118,614	2	118,614
850	Risk Supervisor	0	3	2	139,111	1	71,848	1	71,848
848	Senior Risk Specialist	0	5	6	351,041	6	363,899	6	363,899
TOTAL FULL-TIME POSITIONS		0	27	19	\$ 1,042,160	18	\$ 1,014,282	18	\$ 1,014,282

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	11,421,652	0	11,421,652	19.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(178,352)	0	(178,352)	(1.0)	Risk Cuts - Loss Prevention FTE, OS II, Ext. M&S
	(11,867)	0	(11,867)	0.0	7% Internal Service Reductions
	11,867	0	11,867	0.0	Buy Back of Risk Services
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	40,000	40,000	0.0	Police Shooting Study
	(178,352)	40,000	(138,352)	(1.0)	Total FY 2002-03 Decision Packages
			\$ 11,283,300	18.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Vehicle Services

OVERVIEW

Vehicle Services acquires, modifies, services, repairs, and disposes of vehicles and equipment owned, leased, and rented by the City. The Division operates eight garages (the Kerby Garage and seven strategically located satellite facilities to best serve its customers), a body and paint facility, and a fabrication shop. A downtown motor pool provides vehicles on a convenient and short-term basis to meet the business needs of City bureaus located in the downtown area.

The City's fleet has become more sophisticated to support evolving customer business needs.

The number of City vehicles has grown by over 700 units in the last ten years. The increase in both number and sophistication of the City's fleet improves a bureau's ability to deliver service. Vehicle Services' budget trends reflect increasing expenditures due to rising costs of vehicles and equipment as well as expensive repair and replacement components, test/diagnostic equipment, and increased repair time.

Vehicle Services has managed expenditures and limited staff growth by implementing efficiencies, employing technology, and adhering to responsible replacement schedules for equipment and vehicles. As a result, Vehicle Services has been able to maintain a high level of vehicle availability and reliability, while continuing to improve service.

CHANGES FROM PRIOR YEAR

Service charges to customer bureaus will be reduced by 7% during FY 2002-03. These reductions, following the cuts made in FY 2001-02 from the Administrative Services Review, will have a significant impact on services.

Some changes in the methodology of accounting for the funding of replacement vehicles, however, will lessen the negative impacts. Beginning in FY 2002-03, the accounting of replacement funds will recognize the program as a single account, rather than tracking each bureau's replacement funds separately. As a single account, balances between bureaus can be offset, eliminating the need to maintain positive balances in every bureau. As a result, less cash will be necessary in the replacement program. Replacement collections in Vehicle Services will be reduced. An annual dividend will be credited to customers through interagency agreements.

Reductions in charges to customers reflect fewer resources available for the maintenance of vehicles in FY 2002-03. The FY 2001-02 reductions extended the lifecycles of all vehicles, increasing the average age of all vehicles. The average availability (not in the repair shop) of vehicles to customers is expected to decline because of these actions.

Overview of Programs

OPERATIONS

Operations provides overall management and administrative support for the programs within the Vehicle Services Division. Specific activities include the purchase of new and replacement vehicles, management of the repair parts activity, performance of a variety of administrative activities, and responsibility for the management information system.

MAINTENANCE & REPAIR

Maintenance and Repair is responsible for the preparation of new vehicles and equipment, scheduled preventive maintenance, and unscheduled repairs of City vehicles and equipment.

FUEL MANAGEMENT

Fuel Management provides fuel for City vehicles and equipment. Fuel is provided from City-operated facilities and commercial vendors.

BODY AND PAINT

Body and Paint assists the Maintenance and Repair program in the preparation of new vehicles. Additionally, they provide body and paint restoration of damaged City vehicles and equipment.

FABRICATION

Fabrication provides metal work such as welding, machining, bending, and cutting used in the repair and/or modification of City vehicles and equipment.

VEHICLE POOL

The Vehicle Pool maintains unassigned vehicles for occasional and short-term use by City bureaus not requiring a full-time assigned car.

LEASE EQUIPMENT

Lease Equipment manages the leasing of vehicles for extended use when leasing is deemed to be more cost effective than purchase. This program also manages the rental of large passenger vans, buses, and other atypical vehicles for short-term or seasonal use.

CAPITAL REPLACEMENT

Capital Replacement tracks funds designated for the purchase of replacement vehicles.

NEW EQUIPMENT/CASH TRANSFERS

The New Equipment/Cash Transfers program tracks all funds designated for the purchase of new vehicles requested by customers.

POLICE UNDERCOVER ACCOUNT

The Police Undercover Account tracks funds designated for the purchase or lease of undercover vehicles for assignment to the Bureau of Police.

Vehicle Services AU 562

SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	4,748,219	4,922,185	5,412,996	5,693,629	5,693,629
External Materials and Services	6,829,648	6,845,622	8,166,267	7,007,856	7,007,856
Internal Materials and Services	872,818	1,009,731	1,143,526	1,312,403	1,312,403
Minor Capital Outlay	6,004,267	3,971,123	9,062,334	6,078,488	6,078,488
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	18,454,952	16,748,661	23,785,123	20,092,376	20,092,376
Capital Improvements	0	0	1,099,000	0	0
TOTAL BUREAU EXPENDITURES	\$ 18,454,952	\$ 16,748,661	\$ 24,884,123	\$ 20,092,376	\$ 20,092,376
Allocated Overhead	300,731	479,712	555,907	530,551	566,678
Total Cost with Allocated Overhead	18,755,683	17,228,373	25,440,030	20,622,927	20,659,054
RESOURCES					
Fleet Services Operating Fund	18,454,952	16,748,661	24,884,123	20,092,376	20,092,376
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Operations	1,098,638	1,099,097	1,004,500	1,090,377	1,090,377
Positions	9	9	9	10	10
Maintenance & Repair	6,719,137	6,882,058	9,245,538	7,749,274	7,749,274
Positions	54	55	55	55	55
Fuel Management	1,924,537	2,201,816	2,112,243	2,077,889	2,077,889
Positions	1	1	1	1	1
Body and Paint	868,238	808,852	969,866	965,441	965,441
Positions	6	6	6	6	6
Fabrication	609,377	468,897	787,412	705,471	705,471
Positions	6	6	6	6	6
Vehicle Pool	125,261	71,699	417,435	413,804	413,804
Positions	1	1	1	1	1
Lease Equipment	1,081,487	932,989	1,334,275	989,728	989,728
Positions	1	1	1	1	1
Capital Replacement	5,825,810	3,979,873	7,956,929	6,023,904	6,023,904
Positions	3	5	5	4	4
New Equipment/Cash Transfers	202,467	303,380	1,055,925	0	0
Positions	0	0	0	0	0
Police Undercover Account	0	0	0	76,488	76,488
Positions	0	0	0	0	0
TOTAL PROGRAMS	\$ 18,454,952	\$ 16,748,661	\$ 24,884,123	\$ 20,092,376	\$ 20,092,376
Positions	81	83	83	83	83

Vehicle Services AU 562

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,785,729	2,910,554	3,824,225	3,964,258	3,964,258
512000 Part-Time Employees	6,637	0	10,000	10,000	10,000
514000 Overtime	73,700	48,095	42,000	42,000	42,000
515000 Premium Pay	37,545	35,150	35,000	35,000	35,000
517000 Benefits	1,317,215	1,368,424	1,501,771	1,642,371	1,642,371
518000 Paid Absence	527,393	559,962	0	0	0
Total Personnel Services	4,748,219	4,922,185	5,412,996	5,693,629	5,693,629
Materials and Services					
External Materials and Services					
521000 Professional Services	2,578	6,247	7,500	22,500	22,500
522000 Utilities	104,210	104,308	125,000	0	0
523000 Equipment Rental	1,076,486	918,464	1,276,776	930,291	930,291
524000 Repair & Maintenance Services	794,801	760,682	1,140,833	956,741	956,741
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	226,726	310,541	314,000	272,727	272,727
531000 Office Supplies	10,788	6,880	16,150	15,150	15,150
532000 Operating Supplies	2,054,109	2,353,902	2,242,755	2,192,000	2,192,000
533000 Repair & Maintenance Supplies	2,298,604	2,116,432	2,664,168	2,267,147	2,267,147
534000 Minor Equipment & Tools	110,900	77,119	159,000	139,000	139,000
535000 Clothing & Uniforms	24,495	30,473	40,000	44,000	44,000
539000 Other Commodities External	122	0	0	0	0
541000 Education	20,593	33,862	40,000	40,300	40,300
542000 Local Travel	123	265	300	300	300
543000 Out-of-Town Travel	3,570	4,491	13,200	13,700	13,700
544000 Space Rental	53,428	51,456	60,000	45,000	45,000
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	48,115	70,500	66,585	69,000	69,000
Total External Materials and Services	6,829,648	6,845,622	8,166,267	7,007,856	7,007,856
Internal Materials and Services					
551000 Fleet Services	0	0	0	0	0
552000 Printing & Distribution	24,221	22,041	25,155	23,830	23,830
553000 Facilities Services	165,832	250,101	1,445,296	534,252	534,252
554000 Communications Services	46,453	45,251	40,681	42,848	42,848
555000 Data Processing Services	78,999	42,922	38,733	37,645	37,645
556000 Insurance	152,010	250,043	238,463	220,808	220,808
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	405,303	399,373	454,198	453,020	453,020
Total Internal Materials and Services	872,818	1,009,731	2,242,526	1,312,403	1,312,403
Total Materials and Services	7,702,466	7,855,353	10,408,793	8,320,259	8,320,259
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	22,010	0	0	0	0
564000 Capital Equipment	5,982,257	3,971,123	9,062,334	6,078,488	6,078,488
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	6,004,267	3,971,123	9,062,334	6,078,488	6,078,488
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 18,454,952	\$ 16,748,661	\$ 24,884,123	\$ 20,092,376	\$ 20,092,376

Vehicle Services AU 562

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02		FY 2002-03		FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	1	1	1	43,318	1	46,598	1	46,598
926	Administrative Services Manager	1	1	1	72,639	1	75,684	1	75,684
962	Assistant Program Specialist	1	1	1	48,095	1	51,728	1	51,728
1516	Auto Body Restorer	5	5	5	219,938	5	226,720	5	226,720
929	Bureau Operations Manager	1	1	1	77,063	1	79,671	1	79,671
1520	Industrial Machinist	1	1	1	44,075	1	45,518	1	45,518
2522	Information Systems Tech I	1	1	1	39,099	1	40,340	1	40,340
1200	Maintenance Worker	1	1	1	15,331	1	15,849	1	15,849
1208	Maintenance Worker	0	0	0	6,571	0	6,786	0	6,786
1530	Motorcycle Mechanic	1	1	1	44,075	1	45,344	1	45,344
100	Office Support Specialist I	1	1	1	31,096	1	32,113	1	32,113
102	Office Support Specialist II	1	1	1	34,320	1	35,455	1	35,455
966	Program Coordinator	0	1	1	46,675	1	54,241	1	54,241
407	Storekeeper II Auto Parts Spec	4	5	5	205,920	5	211,891	5	211,891
411	Stores Supervisor I	1	0	0	0	0	0	0	0
413	Stores System Manager	1	1	1	59,613	1	61,339	1	61,339
1058	Trades Manager	1	1	1	69,555	1	71,848	1	71,848
1054	Trades Supervisor	6	6	6	336,206	6	353,549	6	353,549
1533	Vehicle & Equip Mechanic Lead	2	2	2	92,518	2	95,546	2	95,546
1532	Vehicle & Equipment Mechanic	46	47	47	2,071,526	47	2,138,651	47	2,138,651
1060	Vehicle Services Manager	1	1	1	89,856	1	92,812	1	92,812
1513	Welder	3	3	3	130,914	3	135,240	3	135,240
1511	Welder, Lead	1	1	1	45,822	1	47,335	1	47,335
TOTAL FULL-TIME POSITIONS		81	83	83	\$ 3,824,225	83	\$ 3,964,258	83	\$ 3,964,258

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2001-02	20,842,700	0	20,842,700	83.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(67,114)	0	(67,114)	0.0	7% Internal Services Reduction -- M&S
	(545,000)	0	(545,000)	0.0	Vehicle Services Reductions
	67,115	0	67,115	0.0	Savings from I/A Agreements reprogrammed
	(205,325)	0	(205,325)	0.0	Customer Reductions and Adjustments
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	(750,324)	0	(750,324)	0.0	Total FY 2002-03 Decision Packages
			\$ 20,092,376	83.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Communication Services

OVERVIEW

Communications and Networking Services (ComNet) provides leadership to the Council and bureaus in strategic planning and management of the City's communications-related equipment and systems. Additionally, it provides the City, as well as regional external customers, with expert telecommunications services.

ComNet procures, operates, and maintains the City's communications-related equipment and systems, including:

- ◆ The Integrated Regional Network Enterprise (IRNE), a regional broadband telecommunications network providing advanced telecommunications systems and services to government, education, and public safety institutions in the region.
- ◆ Public safety radio systems for voice and mobile data, including maintenance of the system's infrastructure.
- ◆ Radio management services covering installation, maintenance, and repair.
- ◆ Other electronic services, including the provision and maintenance of sirens, radar guns, and video systems.

The Bureau of Communications and Networking Services will merge with the Bureau of Information Technology in the Fall of 2002 to form the Bureau of Technology Services. The merger is expected to provide a more efficient, direct, and unified approach to Citywide technology services.

CHANGES FROM PRIOR YEAR

ComNet's budget decreases significantly from the prior year as a result of reduced capital costs for implementation of the IRNE. In addition, OMF internal service fund voluntary reductions were achieved by reduced telecommunications equipment, radio shop, and 800 MHz rates.

Council authorizes funding for 800 MHz Public Safety Radio System capital projects.

In addition, the Council authorized funding for the Public Safety Radio Enhancement Project (PREP) in the amount of approximately \$665,000. The funding will provide for system enhancement for coverage and reliability and for major maintenance for the aging system. The PREP project is funded through a combination of ongoing reductions in operational spending and one-time General Fund capital set aside funding.

Overview of Programs

DIVISION ADMINISTRATION

The Administration program provides management and administrative support for Communications and Networking Services, including stores inventory, contracting, direct service, and sales to bureaus and external customers of radio and telecommunications services, including the IRNE. ComNet Administration also includes an interagency agreement with OMF Business Operations for financial and other administrative services.

RADIO SHOP

The Radio Shop installs, maintains, and repairs the City's electronic and communications equipment, video equipment, and fiber optic systems. Services are performed at the Electronics Maintenance Shop and at customer sites as required. 24 hour on-call service is available.

800 MHZ OPERATIONS

The Public Safety Radio System (800 MHz) program manages the operations of the regional system, including maintaining the backbone equipment (e.g., microwave towers which transmit and receive radio signals), and the electronic hardware and software which control the complex network infrastructure.

ENGINEERING

The Engineering program provides expert design consultation, project and construction management, and quality assurance for radio and telecommunications projects. These projects includes the IRNE, radio communications, wireless and wireline data transmission, microwave, remote control, television surveillance, fire cable network, fiber optics, telemetry, and audio systems. In addition, Engineering is responsible for managing the radio frequency licensing requirements with the Federal Communications Commission and the Association of Public Safety Communications Officers.

TELECOMMUNICATIONS

The Telecommunications program provides voice, video, and data services, including telephone, cellular phones, pagers, and data network backbones. It also manages Citywide contracts for telephone services, data networking, network management, wiring, and other telecommunications-related services and products. This program also configures, manages, and operates the Integrated Regional Network Enterprise, voice mail, circuits, extension, and automatic call distribution. It also provides wiring services and manages customer order fulfillment.

CASH TRANSFERS

Cash Transfers coordinates the procurement of electronic equipment requested by City bureaus and external agencies and manages the transfer of funds for payment.

REPLACEMENT EQUIPMENT

Replacement Equipment receives and holds funds for the future replacement of existing electronic equipment.

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SUMMARY OF DIVISION BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	2,227,111	2,313,679	2,486,932	3,304,018	3,304,018
External Materials and Services	6,221,405	4,890,694	3,759,820	4,469,610	4,469,610
Internal Materials and Services	927,108	1,067,428	1,043,224	1,089,603	1,090,590
Minor Capital Outlay	528,688	1,511,950	252,050	433,000	433,000
Equipment Cash Transfers	16,070	0	35,292	0	0
Total Operating Budget	9,920,382	9,783,751	7,577,318	9,296,231	9,297,218
Capital Improvements	773,461	1,568,749	10,678,993	1,463,356	1,463,356
TOTAL BUREAU EXPENDITURES	\$ 10,693,843	\$ 11,352,500	\$ 18,256,311	\$ 10,759,587	\$ 10,760,574
Allocated Overhead	283,988	275,475	237,278	259,496	276,732
Total Cost with Allocated Overhead	10,977,831	11,627,975	18,493,589	11,019,083	11,037,306
RESOURCES					
Communications Services Operating	10,693,843	11,352,500	18,256,311	10,759,587	10,760,574
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Division Administration	837,621	1,035,363	1,212,320	1,121,139	1,121,139
<i>Positions</i>	6	5	5	6	6
Radio Shop	1,409,164	1,425,946	1,449,033	1,493,189	1,493,189
<i>Positions</i>	10	11	11	10	10
800 MHz Operations	1,830,894	1,261,316	2,147,186	2,030,415	2,030,415
<i>Positions</i>	9	9	5	9	9
Engineering	198,448	444,635	501,360	227,341	227,341
<i>Positions</i>	1	2	5	2	2
Telecommunications	5,431,362	4,893,275	12,472,645	5,887,503	5,888,490
<i>Positions</i>	9	12	12	15	15
Cash Transfers	870,165	1,880,535	448,684	0	0
<i>Positions</i>	0	0	0	0	0
Replacement Equipment	116,189	411,430	25,083	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 10,693,843	\$ 11,352,500	\$ 18,256,311	\$ 10,759,587	\$ 10,760,574
<i>Positions</i>	35	38	38	42	42

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LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,399,981	1,570,315	2,084,213	2,338,909	2,338,909
512000 Part-Time Employees	42,796	9,290	73,121	30,527	30,527
514000 Overtime	26,350	34,323	61,000	41,000	41,000
515000 Premium Pay	35,623	41,465	41,000	40,100	40,100
517000 Benefits	581,314	646,921	767,332	853,482	853,482
518000 Paid Absence	226,824	257,261	0	0	0
Total Personnel Services	2,312,888	2,559,575	3,026,666	3,304,018	3,304,018
Materials and Services					
External Materials and Services					
521000 Professional Services	455,453	410,187	189,118	301,300	301,300
522000 Utilities	26,565	26,407	31,500	31,000	31,000
523000 Equipment Rental	986	3,718	12,000	6,000	6,000
524000 Repair & Maintenance Services	900,846	418,105	669,836	523,779	523,779
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	3,593,544	2,724,256	4,764,977	2,368,178	2,368,178
531000 Office Supplies	9,924	10,160	12,000	15,000	15,000
532000 Operating Supplies	35,467	82,719	184,968	70,000	70,000
533000 Repair & Maintenance Supplies	266,219	258,028	283,970	366,850	366,850
534000 Minor Equipment & Tools	1,121,735	1,551,399	3,851,745	870,367	870,367
535000 Clothing & Uniforms	716	6,514	8,400	7,300	7,300
539000 Other Commodities External	56	9	0	0	0
541000 Education	29,075	41,364	55,600	55,100	55,100
542000 Local Travel	5,170	5,463	6,700	7,100	7,100
543000 Out-of-Town Travel	40,012	38,845	86,874	68,500	68,500
544000 Space Rental	42,199	74,543	89,247	85,542	85,542
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	38,159	14,718	31,500	437,000	437,000
Total External Materials and Services	6,566,126	5,666,435	10,278,435	5,213,016	5,213,016
Internal Materials and Services					
551000 Fleet Services	50,274	113,225	51,996	56,663	56,663
552000 Printing & Distribution	19,053	14,828	25,734	15,108	15,108
553000 Facilities Services	432,660	418,894	386,751	423,665	423,665
554000 Communications Services	0	0	0	0	0
555000 Data Processing Services	46,261	86,837	104,922	107,208	107,208
556000 Insurance	48,264	61,224	60,438	81,650	81,650
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	372,686	378,382	413,383	405,309	406,296
Total Internal Materials and Services	969,198	1,073,390	1,043,224	1,089,603	1,090,590
Total Materials and Services	7,535,324	6,739,825	11,321,659	6,302,619	6,303,606
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	829,561	2,050,900	3,872,694	1,152,950	1,152,950
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	829,561	2,050,900	3,872,694	1,152,950	1,152,950
573000 Equipment Cash Transfers	16,070	0	35,292	0	0
576000 Minor Equipment Transfers	0	2,200	0	0	0
TOTAL DIVISION EXPENSES	\$ 10,693,843	\$ 11,352,500	\$ 18,256,311	\$ 10,759,587	\$ 10,760,574

Communication Services AU 360

FULL-TIME POSITIONS

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	Amount	FY 2002-03	Amount	FY 2002-03	Amount
		No.	No.	No.	Amount	No.	Amount	No.	Amount
3253	Comm Switch Tech	0	0	0	0	0	0	1	54,726
3258	Commun & Networking Svcs Mgr	0	0	1	94,599	1	97,718	1	97,718
3255	Communications Engineer	0	4	4	237,545	3	191,233	3	191,233
3250	Electronic Tech I Traffic Signal	0	3	0	0	0	0	0	0
3251	Electronic Tech II Communication	6	6	7	370,445	8	437,810	7	383,084
3248	Electronics Technician Assistant	5	4	3	115,013	2	78,719	2	78,719
3249	Electronics Technician I: Commun	3	0	3	135,970	4	187,251	4	187,251
1136	Facilities & Maintenance Manager	1	1	1	77,064	1	79,594	1	79,594
2541	Information Systems Analyst I	3	3	3	145,034	4	192,246	4	192,246
2542	Information Systems Analyst II	1	1	1	48,221	3	158,036	3	158,036
2550	Information Systems Manager	0	1	1	90,202	1	81,244	1	81,244
102	Office Support Specialist II	2	2	2	63,169	3	97,109	3	97,109
104	Office Support Specialist III	1	1	1	37,981	1	41,823	1	41,823
966	Program Coordinator	1	2	1	53,306	2	118,346	2	118,346
968	Program Manager I	0	0	1	62,072	1	70,220	1	70,220
972	Program Manager IV	2	1	1	85,042	1	88,196	1	88,196
964	Program Specialist	2	2	2	113,391	1	58,506	1	58,506
3256	Senior Communications Engineer	2	1	1	69,603	1	61,596	1	61,596
2552	Senior Information Systems Mgr	1	1	1	84,354	1	88,030	1	88,030
1056	Senior Trades Supervisor	1	1	1	62,816	1	64,896	1	64,896
1138	Sr Facilities & Maintenance Mgr	0	1	0	0	0	0	0	0
405	Storekeeper/Acquisition Spec I	0	0	1	38,929	1	40,507	1	40,507
406	Storekeeper/Acquisition Spec II	0	1	1	40,507	1	42,533	1	42,533
408	Storekeeper/Acquisition Spec III	1	1	0	0	0	0	0	0
3109	Technician III	2	0	0	0	0	0	0	0
1054	Trades Supervisor	1	1	1	58,950	1	63,296	1	63,296
TOTAL FULL-TIME POSITIONS		35	38	38	\$ 2,084,213	42	\$ 2,338,909	42	\$ 2,338,909

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	11,776,755	0	11,776,755	38.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(172,673)	0	(172,673)	0.0	7% cuts, excluding 800 MHz
	(251,800)	0	(251,800)	0.0	7% cut to 800 MHz
	406,967	0	406,967	0.0	800 MHz Major Maintenance
	86,890	0	86,890	1.0	800 MHz staffing
	124,384	0	124,384	2.0	IRNE External Customer Support
	0	257,950	257,950	0.0	CRC Funding for 800 MHz
	(21,196)	0	(21,196)	0.0	7% Internal Service Reductions
	0	0	0	1.0	Office Support Specialist II
	(1,447,690)	0	(1,447,690)	0.0	IRNE Adjustment
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	987	987	0.0	COPPEA Professional Development
	(1,275,118)	258,937	(1,016,181)	4.0	Total FY 2002-03 Decision Packages
			\$ 10,760,574	42.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	229,891	0	229,891	3.0	800 MHz Staffing
	900,000	0	900,000	0.0	800 MHz Major Maintenance
			\$ 1,129,891	3.0	Total Decision Packages Not Funded

Financial Management

OVERVIEW

The Bureau of Finance is composed of the Accounting, Debt Management, Financial Planning, Spectator Facilities, Treasury, and Business Operations programs. Through these programs, the bureau provides financial management and planning services in a variety of areas, such as financial reporting and planning, investments, debt issuance, spectator facilities activities, and grants management.

CHANGES FROM PRIOR YEAR

Organizational Structural Changes

The Adopted Budget reflects the merger of the Bureaus of Financial Planning and Financial Management into the Bureau of Finance. This organizational change is made as part of OMF's ongoing review for doing business more effectively and at least cost.

The FY 2002-03 Adopted Budget also reflects the transfer of responsibility for the City's Deferred Compensation program from the Bureau of Human Resources to the Treasury program. This functionally occurred in December 2001.

The City's Deferred Compensation Program has experienced significant growth in size and complexity over the years.

While the program's funds are invested by deferred compensation providers pursuant to the instructions of the participants, program assets are City assets which are being held in trust for the exclusive benefit of City employees. Given the financial requirements of the program, it was determined that the program should reside in Treasury. Since it is a benefit that the City offers its employees, there continues to be coordination with the Employee Benefits program in Human Resources. Additionally, the Employee Benefits Manager is a member of the City's Deferred Compensation Committee.

Budget Reductions

Financial Management has two reductions in the Adopted Budget. The Grants activity is reduced by one position. A \$45,000 reduction in Financial Planning's interagency with Information Technology decreases Financial Planning's ability to streamline the budget process and systems from a technological standpoint.

Revenue Enhancements

The City has proposed assessing an administrative fee to be paid quarterly by each deferred compensation provider, which equates to .05% of the average annual balance of assets under management. Next year's revenue estimate is \$65,000. While the fee will not fully offset the operating costs of the program, it will provide a stable funding source for approximately half of the program's costs. This funding methodology is one that is accepted and currently in place in other municipalities throughout the country. Multnomah County has recently implemented a similar administrative fee.

A \$75,000 interagency is established with the Pension Debt Redemption Fund in support of Treasury staff costs associated with ensuring the City's best interests are being heard and considered with regard to PERS pension liability issues.

Overview of Programs

BUREAU OF FINANCIAL MANAGEMENT

This program includes Accounting, Treasury, Debt Management, and the bureau's Business Operations program. These divisions are responsible for the following:

Business Operations Business Operations provides leadership and management oversight to the divisions within the Bureau of Finance. Additionally, it provides internal financial consulting services on a broad range of projects in support of City bureau programs and economic development and housing activities of the Portland Development Commission.

Accounting Accounting provides accounting, financial reporting, and management of the City's corporate accounting systems and processes. The activities of the program include the following:

- ◆ Ensure accounting operations throughout the City result in accurate, complete, and timely information.
- ◆ Provide internal controls to safeguard the City's assets against loss, theft, or misuse.
- ◆ Support the ability of operating bureaus to deliver services to Portland's citizens.
- ◆ Support preservation of the Aaa credit rating from Moody's Investors Services.
- ◆ Prepare financial reports that comply with current accounting principles and regulatory requirements.
- ◆ Prepare the Comprehensive Annual Financial Report (CAFR).
- ◆ Ensure compliance with various federal, state, and City regulations and statutes, including IRS, Federal Labor Standards Act, City collective bargaining agreements, and the like.

Debt Management Debt Management provides expertise in managing a long-term financial strategy for maintaining the City's infrastructure and for funding a wide variety of capital projects. Program activities include rebate compliance and management, debt transaction management, conduit financing, investor and credit relations, and financial analysis for special projects.

Treasury The City's Treasury, in practical terms, serves as the City's bank. The program manages the City's investment program and provides cash and investment accounting, trustee account activities, and passport processing functions. Additionally, Treasury is responsible for management and administration of the City's Deferred Compensation program. Monitoring the Fire and Police Disability and Retirement Fund and the Public Employes Retirement System are also key activities performed by Treasury to ensure the City's financial liabilities are planned for and proactively addressed.

FINANCIAL PLANNING & GRANTS

The Financial Planning and Grants program provides fiduciary oversight and leadership for all City funds.

Financial Planning

Financial Planning provides leadership and management of the following activities:

- ◆ Operating and capital budget planning, development, and monitoring, including operational review of the City utilities in concert with the City's Public Utility Review Board
- ◆ Long-range financial forecasting for the General Fund and related funds
- ◆ Conducting and/or participating in a variety of Council and/or bureau financial and economic studies
- ◆ Assisting the Bureau of Human Resources in costing out collective bargaining proposals and employee group classification-compensation studies
- ◆ Financial review and analysis of state legislation

Grants

Grants has the following activities:

- ◆ Development and refinement of the General Fund overhead model
- ◆ Grants administration and accounting
- ◆ Grants training, education, and interface with bureaus and granting agencies
- ◆ Preparation of the federal indirect cost plan
- ◆ Preparation and coordination with the City's independent Auditor for the Single Federal Audit
- ◆ Administration of and compliance with Davis Bacon requirements

SPECTATOR FACILITIES

Spectator Facilities provides operational and financial management and oversight for the City's spectator facilities, such as the Oregon Arena and PGE Park.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	4,030,010	4,090,895	4,264,739	4,504,321	4,504,321
External Materials and Services	577,069	465,368	626,943	545,518	685,518
Internal Materials and Services	1,737,194	1,010,864	2,557,140	2,226,050	2,226,050
Minor Capital Outlay	11,940	0	5,730	0	0
Equipment Cash Transfers	0	4,750	0	0	0
Total Operating Budget	6,356,213	5,571,877	7,454,552	7,275,889	7,415,889
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 6,356,213	\$ 5,571,877	\$ 7,454,552	\$ 7,275,889	\$ 7,415,889
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	6,356,213	5,571,877	7,454,552	7,275,889	7,415,889
RESOURCES					
General Fund Discretionary	1,613,779	1,067,276	2,388,987	2,221,510	2,051,543
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	142,512	277,985	137,562	132,227	132,227
Interagency Revenues	1,288,979	1,275,096	1,039,784	1,048,993	1,188,993
Program Revenue	370,358	429,178	801,000	848,948	848,948
Overhead Recovery	2,940,585	2,522,342	3,087,219	3,024,211	3,194,178
Total Non-Discretionary Revenues	4,742,434	4,504,601	5,065,565	5,054,379	5,364,346
TOTAL GENERAL FUND RESOURCES	6,356,213	\$ 5,571,877	\$ 7,454,552	\$ 7,275,889	\$ 7,415,889
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Financial Planning & Grants	1,485,831	1,376,142	2,119,123	2,005,725	2,005,725
<i>Positions</i>	<i>13</i>	<i>13</i>	<i>12</i>	<i>14</i>	<i>14</i>
Spectator Facilities	279,477	256,446	315,365	324,847	324,847
<i>Positions</i>	<i>4</i>	<i>4</i>	<i>2</i>	<i>2</i>	<i>2</i>
Bureau of Financial Management	4,590,905	3,939,289	5,020,064	4,945,317	5,085,317
<i>Positions</i>	<i>45</i>	<i>45</i>	<i>44</i>	<i>42</i>	<i>42</i>
TOTAL PROGRAMS	\$ 6,356,213	\$ 5,571,877	\$ 7,454,552	\$ 7,275,889	\$ 7,415,889
<i>Positions</i>	<i>62</i>	<i>62</i>	<i>58</i>	<i>58</i>	<i>58</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,462,119	2,522,250	3,145,472	3,307,724	3,307,724
512000 Part-Time Employees	86,646	19,700	24,873	25,596	25,596
514000 Overtime	13,909	6,435	25,000	25,000	25,000
515000 Premium Pay	3,655	1,500	0	0	0
517000 Benefits	1,018,866	1,028,663	1,069,394	1,146,001	1,146,001
518000 Paid Absence	444,815	512,347	0	0	0
Total Personnel Services	4,030,010	4,090,895	4,264,739	4,504,321	4,504,321
Materials and Services					
External Materials and Services					
521000 Professional Services	259,540	285,102	154,978	68,377	208,377
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	20,978	19,967	23,431	24,204	24,204
524000 Repair & Maintenance Services	4,096	3,398	22,654	31,622	31,622
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	72,308	13,369	51,504	70,077	70,077
531000 Office Supplies	17,164	14,055	49,544	55,254	55,254
532000 Operating Supplies	53,187	22,348	15,526	18,413	18,413
533000 Repair & Maintenance Supplies	14	0	0	0	0
534000 Minor Equipment & Tools	28,011	16,320	31,183	29,537	29,537
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	149	126	1,000	1,000	1,000
541000 Education	59,691	40,349	54,949	56,841	56,841
542000 Local Travel	271	403	849	883	883
543000 Out-of-Town Travel	37,110	23,948	35,224	40,921	40,921
544000 Space Rental	0	230	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	24,550	25,753	186,101	148,389	148,389
Total External Materials and Services	577,069	465,368	626,943	545,518	685,518
Internal Materials and Services					
551000 Fleet Services	266	1,860	150	155	155
552000 Printing & Distribution	118,487	96,658	118,026	122,000	122,000
553000 Facilities Services	205,134	188,920	277,886	256,166	256,166
554000 Communications Services	54,250	53,020	60,245	52,350	52,350
555000 Data Processing Services	1,066,736	413,781	519,831	480,596	480,596
556000 Insurance	49,472	58,887	55,574	47,566	47,566
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	242,849	197,738	1,525,428	1,267,217	1,267,217
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	1,737,194	1,010,864	2,557,140	2,226,050	2,226,050
Total Materials and Services	2,314,263	1,476,232	3,184,083	2,771,568	2,911,568
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	11,940	0	5,730	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	11,940	0	5,730	0	0
573000 Equipment Cash Transfers	0	4,750	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 6,356,213	\$ 5,571,877	\$ 7,454,552	\$ 7,275,889	\$ 7,415,889

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
514	Accountant I	6	8	9	328,616	7	285,280	7	285,280
515	Accountant II	6	6	4	185,838	5	238,846	5	238,846
516	Accountant III	0	6	7	356,825	7	370,108	7	370,108
533	Accounting Manager	1	1	1	85,384	1	88,197	1	88,197
531	Accounting Supervisor II	2	1	1	66,061	1	68,236	1	68,236
532	Accounting Supervisor III	0	2	2	125,216	2	134,850	2	134,850
510	Accounting Technician	10	2	2	66,612	2	70,908	2	70,908
511	Accounts Payable Audit Clerk	1	0	0	0	0	0	0	0
926	Administrative Services Manager	1	1	1	65,270	1	70,178	1	70,178
920	Administrative Supervisor I	1	1	1	53,810	1	55,583	1	55,583
2531	Applications Analyst I	0	1	0	0	0	0	0	0
2534	Applications Analyst IV	1	1	0	0	0	0	0	0
826	Assistant Financial Analyst	1	0	0	0	0	0	0	0
944	City Economist	1	1	1	81,120	1	83,791	1	83,791
860	City Treasurer	1	1	1	80,974	1	87,090	1	87,090
114	Clerical Specialist	4	0	0	0	0	0	0	0
829	Debt Analyst	0	0	0	0	1	58,509	1	58,509
834	Debt Manager	1	1	1	81,120	1	83,791	1	83,791
942	Economist I	2	2	2	125,632	2	129,790	2	129,790
943	Economist II	1	1	1	73,237	0	0	0	0
827	Financial Analyst	2	1	3	166,349	2	114,367	2	114,367
839	Financial Management Director	0	1	1	94,598	1	97,718	1	97,718
836	Financial Planning Director	1	1	1	83,418	1	89,694	1	89,694
870	Investment Officer	1	1	0	0	0	0	0	0
100	Office Support Specialist I	0	1	1	31,096	1	32,113	1	32,113
102	Office Support Specialist II	0	4	4	133,848	4	138,149	4	138,149
104	Office Support Specialist III	0	1	1	40,498	1	41,823	1	41,823
833	Principal Debt Analyst	2	2	2	122,859	1	64,561	1	64,561
832	Principal Financial Analyst	2	3	3	202,077	2	144,009	2	144,009
966	Program Coordinator	0	0	0	0	1	56,368	1	56,368
968	Program Manager I	1	0	0	0	0	0	0	0
970	Program Manager II	2	1	1	66,061	1	68,236	1	68,236
971	Program Manager III	0	0	1	75,558	1	79,595	1	79,595
220	Secretarial Clerk I	1	0	0	0	0	0	0	0
221	Secretarial Clerk II	2	0	0	0	0	0	0	0
816	Senior Administrative Specialist	0	0	0	0	1	41,934	1	41,934
831	Senior Debt Analyst	1	1	1	56,638	1	64,895	1	64,895
828	Senior Financial Analyst	7	8	5	296,757	7	449,105	7	449,105
952	Senior Management Analyst	0	1	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		62	62	58	\$ 3,145,472	58	\$ 3,307,724	58	\$ 3,307,724

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	7,549,070	0	7,549,070	58.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	(63,278)	0	(63,278)	(1.0)	Economist 1 Funding
Mayor's Proposed Budget Decisions					
	65,000	0	65,000	1.0	Deferred Compensation Fee
	0	0	0	0.0	OH/ Discretionary Shift
	(11,921)	0	(11,921)	0.0	Internal Service Fund Reductions
	(2,648)	0	(2,648)	0.0	Technical Adjustments
	(188,488)	0	(188,488)	0.0	Admin I/A Reductions
	63,278	0	63,278	1.0	Economist I Funding Shift
	(90,349)	0	(90,349)	(1.0)	Grants Staff Reduction
	0	0	0	0.0	Overhead/ Discretionary Shift
	(45,000)	0	(45,000)	0.0	BFP Technology Reduction
	225	0	225	0.0	Internal Service Adjustments
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	140,000	140,000	0.0	Pension Bond Reimbursement
	(273,181)	140,000	(133,181)	0.0	Total FY 2002-03 Decision Packages
			\$ 7,415,889	58.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	(184,402)	0	(184,402)	1.4	Financial Planning Reductions
			\$ (184,402)	1.4	Total Decision Packages Not Funded

Health Administration

OVERVIEW

Health Administration provides leadership and expertise to the Council and the Labor-Management Benefits Committee in developing the strategic direction of the City benefits programs. The program is responsible for the management and administration of the City's employee benefit programs and plans. Other responsibilities and activities include:

- ◆ Coordination of the Labor-Management Benefits Committee
- ◆ Administration of COBRA and Retiree continuation coverage
- ◆ Coordination of health and wellness programs at a level which can be supported within available resources based on program reductions
- ◆ Management and administration of the City's employee assistance program
- ◆ Conducting new employee benefit orientation sessions, as well as annual enrollment forums to educate employees on benefit design changes
- ◆ Administration of the health care continuation component of the Family Medical Leave Act (FMLA)
- ◆ Negotiation and management of medical vendors, the flexible spending account administrator, employee assistance program vendor, group life and long term disability vendor, benefits consultants, and the Third Party Administrator contracts
- ◆ Development and implementation of employee benefit communication strategy

Major Initiatives

Plan redesign efforts will continue in FY 2002-03 to curtail rising costs and to maintain prudent Incurred But Not Reported (IBNR) and Large Claim reserve levels.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	0	380,133	387,264	422,088	422,088
External Materials and Services	28,711,644	35,665,079	39,110,942	30,601,170	30,601,170
Internal Materials and Services	905,997	251,954	391,301	451,372	451,372
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	29,617,641	36,297,166	39,889,507	31,474,630	31,474,630
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 29,617,641	\$ 36,297,166	\$ 39,889,507	\$ 31,474,630	\$ 31,474,630
Allocated Overhead	189,752	209,957	181,357	228,117	240,110
Total Cost with Allocated Overhead	29,807,393	36,507,123	40,070,864	31,702,747	31,714,740
RESOURCES					
Health Insurance Fund	29,617,641	36,297,166	39,889,507	31,474,630	31,474,630
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Health Insurance	29,617,641	36,297,166	39,889,507	31,474,630	31,474,630
<i>Positions</i>	<i>0</i>	<i>7</i>	<i>6</i>	<i>6</i>	<i>6</i>
TOTAL PROGRAMS	\$ 29,617,641	\$ 36,297,166	\$ 39,889,507	\$ 31,474,630	\$ 31,474,630
<i>Positions</i>	<i>0</i>	<i>7</i>	<i>6</i>	<i>6</i>	<i>6</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	0	233,835	279,596	309,331	309,331
512000 Part-Time Employees	0	2,953	0	0	0
514000 Overtime	0	4,609	2,165	1,200	1,200
517000 Benefits	0	102,129	105,503	111,557	111,557
518000 Paid Absence	0	36,607	0	0	0
Total Personnel Services	0	380,133	387,264	422,088	422,088
Materials and Services					
External Materials and Services					
521000 Professional Services	1,002,187	1,379,737	1,363,039	1,674,852	1,674,852
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	987	987	987
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	24,569,573	27,207,899	37,635,768	28,890,025	28,890,025
531000 Office Supplies	0	2,822	4,342	4,342	4,342
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	1,089	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	0	5,462	6,109	6,109	6,109
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	0	523	3,839	3,000	3,000
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	3,139,884	7,067,547	96,858	21,855	21,855
Total External Materials and Services	28,711,644	35,665,079	39,110,942	30,601,170	30,601,170
Internal Materials and Services					
551000 Fleet Services	0	31	206	206	206
552000 Printing & Distribution	0	34,631	27,272	36,836	36,836
553000 Facilities Services	0	29,040	14,236	27,082	27,082
554000 Communications Services	0	8,336	6,868	8,610	8,610
555000 Data Processing Services	0	140,650	121,473	122,141	122,141
556000 Insurance	0	6,294	6,202	5,988	5,988
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	0	0	0
559000 Other Fund Services	905,997	32,972	215,044	250,509	250,509
Total Internal Materials and Services	905,997	251,954	391,301	451,372	451,372
Total Materials and Services	29,617,641	35,917,033	39,502,243	31,052,542	31,052,542
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 29,617,641	\$ 36,297,166	\$ 39,889,507	\$ 31,474,630	\$ 31,474,630

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
815	Administrative Specialist	0	2	2	67,732	1	34,922	1	34,922
632	Benefits Manager	0	1	1	85,384	1	88,197	1	88,197
614	Human Resources Coordinator	0	1	1	56,969	1	58,979	1	58,979
2542	Information Systems Analyst II	0	1	0	0	0	0	0	0
816	Senior Administrative Specialist	0	2	2	69,511	3	127,233	3	127,233
TOTAL FULL-TIME POSITIONS		0	7	6	\$ 279,596	6	\$ 309,331	6	\$ 309,331

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	31,124,330	0	31,124,330	6.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	12,058	0	12,058	0.0	BOMA Adjustment
	(3,191)	0	(3,191)	0.0	7% Internal Service Reductions
	341,433	0	341,433	0.0	Revised Claim Costs
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	350,300	0	350,300	0.0	Total FY 2002-03 Decision Packages
			\$ 31,474,630	6.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Human Resources

OVERVIEW

The Human Resources (HR) Program provides strategic leadership and management of Citywide human resource systems, which link to the overall business strategies of the Council and bureaus. The program is responsible for the development, refinement, and oversight of the City's Human Resources administrative rules and procedures. The program is also responsible, through corporate level activities and site teams, for assisting bureaus in the recruitment, development, and retention of a competent and high quality workforce, which is representative of the community.

HR Programs

HR Corporate Activities

Human Resources provides a number of activities that benefit all City bureaus. These activities include the following:

Labor Relations: Labor Relations activities include acting as the City's official representative in labor negotiations and assisting bureaus in responding to and resolving grievances and other disciplinary matters. In addition, Human Resources oversees compliance with federal and state labor laws, City policies, and collective bargaining agreements.

Classification and Compensation: Human Resources plans, designs, implements, monitors, and maintains Citywide classification and compensation plans, programs, rules, and systems. The bureau also provides technical expertise and services to City bureaus to ensure compliance with collective bargaining agreements and federal and state laws. The bureau conducts job audits and compensation reviews of individual positions and classifications, as well as managing and participating in employee group classification and compensation studies.

FY 2002-03 will mark the first full year of implementation for the Citywide human resources service delivery model.

Employee Benefits: The Employee Benefits section provides leadership and expertise to the Council and the Labor Management Benefits Committee in developing a strategic direction for City benefit programs. Additionally, it manages and administers the City's employee benefit programs and plans, COBRA and retiree benefit continuation coverage, the health care component of the Family Medical Leave Act, and the employee assistance program and employee benefit communication and education.

Affirmative Action/Diversity Development: Affirmative Action/Diversity Development provides leadership, oversight, and support in the development of a diverse workforce; creation of an inclusive workplace culture; and compliance with Affirmative Action/Equal Employment Opportunity laws, regulations, and guidelines.

Employment and Development: The Employment and Development section manages Citywide executive recruitments and Citywide recruitments for cross-bureau classification series. It also provides expert consultation regarding testing procedures and processes to the HR site teams, ensures compliance with rules and procedures, manages applicant intake, and generates eligible registers. Additionally, the program manages the Citywide layoff, redeployment, and injured worker processes.

HR Site Teams

The site teams are responsible and accountable for supporting assigned bureaus with essential human resource services and ensuring compliance with Citywide Human Resources administrative rules, procedures, and collective bargaining agreements. The site teams are the bureaus' liaison with the corporate HR program managers and shall collaborate with them as appropriate to ensure assigned bureau needs and priorities are effectively addressed.

CHANGES FROM PRIOR YEAR**Administrative Services Review**

FY 2002-2003 will mark the first full year of implementation for the citywide service delivery model for the provision of human resources systems and services. Service agreements have been developed between the Bureau of Human Resources and City bureaus to delineate the services to be provided.

Reductions

The bureau's FY 2002-03 Adopted Budget is reduced \$87,000. The reduction is achieved through restructuring the corporate HR training function. A training needs assessment will be conducted to determine training that should be provided on a Citywide basis to all City employees. Based on the results of the assessment, the development of curriculum and delivery of training will likely be a combination of external vendors, in-house trainers, and computer-based training. The assessment will involve input from bureaus on standard Citywide training needs.

Current Service Level Add Package

The interagency service agreements for FY 2002-03 are based on BHR's FY 2001-02 current service level adjusted for the July 1, 2001 2.9% COLA. The FY 2001-02 adjusted current service level is then inflated by allowable inflation factors to arrive at current service level for FY 2002-03. The interagencies also include a FY 2002-03 COLA component.

Organizational Efficiencies

To achieve internal organizational efficiencies, budget development and monitoring for the Bureau of Human Resources will be performed by OMF Business Operations within current resources. This allows BHR to redirect staff time currently spent on these activities to other critical services, while preserving the bureau director's ability to shape and manage the bureau's budget.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,984,880	2,317,105	3,982,501	4,163,417	4,163,417
External Materials and Services	495,039	623,379	784,575	649,037	649,037
Internal Materials and Services	553,932	575,173	843,140	845,179	845,179
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	3,033,851	3,515,657	5,610,216	5,657,633	5,657,633
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 3,033,851	\$ 3,515,657	\$ 5,610,216	\$ 5,657,633	\$ 5,657,633
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	3,033,851	3,515,657	5,610,216	5,657,633	5,657,633
RESOURCES					
General Fund Discretionary	1,693,531	1,886,139	234,774	0	0
Non-Discretionary Revenues					
Grants & Donations	53,985	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	10,686	312,164	5,375,442	5,657,633	5,657,633
Program Revenue	21,206	19,209	0	0	0
Overhead Recovery	1,254,443	1,298,145	0	0	0
Total Non-Discretionary Revenues	1,340,320	1,629,518	5,375,442	5,657,633	5,657,633
TOTAL GENERAL FUND RESOURCES	3,033,851	\$ 3,515,657	\$ 5,610,216	\$ 5,657,633	\$ 5,657,633
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Human Resources	3,033,851	3,515,657	5,610,216	5,657,633	5,657,633
<i>Positions</i>	<i>34</i>	<i>37</i>	<i>55</i>	<i>53</i>	<i>53</i>
TOTAL PROGRAMS	\$ 3,033,851	\$ 3,515,657	\$ 5,610,216	\$ 5,657,633	\$ 5,657,633
<i>Positions</i>	<i>34</i>	<i>37</i>	<i>55</i>	<i>53</i>	<i>53</i>

Human Resources AU 307

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,221,536	1,419,985	2,987,553	3,105,650	3,105,650
512000 Part-Time Employees	39,220	106,391	0	0	0
514000 Overtime	4,279	1,769	3,000	3,000	3,000
515000 Premium Pay	50	647	0	0	0
517000 Benefits	512,928	570,003	991,948	1,054,767	1,054,767
518000 Paid Absence	206,867	218,310	0	0	0
Total Personnel Services	1,984,880	2,317,105	3,982,501	4,163,417	4,163,417
Materials and Services					
External Materials and Services					
521000 Professional Services	206,420	395,522	435,979	234,521	234,521
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	18,338	28,671	28,859	23,459	23,459
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	109,367	78,620	76,719	74,133	74,133
531000 Office Supplies	30,167	35,645	27,902	23,302	23,302
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	7,960	20,307	9,450	9,450	9,450
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	70,505	30,367	24,465	22,450	22,450
542000 Local Travel	242	9	400	300	300
543000 Out-of-Town Travel	28,485	20,380	9,837	8,637	8,637
544000 Space Rental	1,347	417	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	160	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	22,048	13,441	170,964	252,785	252,785
Total External Materials and Services	495,039	623,379	784,575	649,037	649,037
Internal Materials and Services					
551000 Fleet Services	2,206	3,162	3,598	3,789	3,789
552000 Printing & Distribution	83,748	112,008	90,810	95,623	95,623
553000 Facilities Services	201,497	238,238	183,787	223,610	223,610
554000 Communications Services	43,907	49,591	52,214	61,639	61,639
555000 Data Processing Services	195,155	138,600	159,507	159,356	159,356
556000 Insurance	27,019	33,124	33,710	45,061	45,061
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	400	450	319,514	256,101	256,101
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	553,932	575,173	843,140	845,179	845,179
Total Materials and Services	1,048,971	1,198,552	1,627,715	1,494,216	1,494,216
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 3,033,851	\$ 3,515,657	\$ 5,610,216	\$ 5,657,633	\$ 5,657,633

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	0	1	5	243,535	5	246,440	5	246,440
920	Administrative Supervisor I	0	1	1	49,138	1	52,840	1	52,840
924	Administrative Supervisor III	1	1	1	61,741	1	66,591	1	66,591
627	Affirmative Action Manager	0	1	1	71,934	1	77,353	1	77,353
962	Assistant Program Specialist	0	1	0	0	0	0	0	0
844	Assistant Risk Specialist	0	1	0	0	0	0	0	0
934	Chief Bureau Operations Manager	0	1	1	89,856	1	92,812	1	92,812
635	Classification/Compensation Mgr	0	0	1	72,800	1	83,791	1	83,791
114	Clerical Specialist	6	0	0	0	0	0	0	0
630	Employee Relations Manager	1	1	1	76,951	1	79,489	1	79,489
637	HR Bureau Site Manager	0	0	4	254,008	4	312,405	4	312,405
610	Human Resources Analyst	3	1	4	215,240	2	99,096	2	99,096
614	Human Resources Coordinator	6	6	13	814,036	13	911,934	13	911,934
640	Human Resources Director	1	1	1	94,598	1	97,718	1	97,718
102	Office Support Specialist II	0	7	8	216,291	7	201,147	7	201,147
104	Office Support Specialist III	0	1	1	35,880	1	41,823	1	41,823
625	Recruitment & Selection Manager	1	1	1	80,662	1	83,791	1	83,791
222	Secretarial Assistant	1	0	0	0	0	0	0	0
221	Secretarial Clerk II	1	0	0	0	0	0	0	0
816	Senior Administrative Specialist	4	3	3	126,229	3	110,352	3	110,352
612	Senior Human Resources Analyst	7	9	9	484,654	10	548,068	10	548,068
115	Supervising Clerk	1	0	0	0	0	0	0	0
650	Training & Development Analyst	1	0	0	0	0	0	0	0
TOTAL FULL-TIME POSITIONS		34	37	55	\$ 2,987,553	53	\$ 3,105,650	53	\$ 3,105,650

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	5,597,756	0	5,597,756	55.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	149,012	0	149,012	0.0	HR COLA
Mayor's Proposed Budget Decisions					
	(89,135)	0	(89,135)	(2.0)	BHR Training Reduction
Approved Budget Additions and Reductions					
	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	0	0	0	0.0	None
	59,877	0	59,877	(2.0)	Total FY 2002-03 Decision Packages
			\$ 5,657,633	53.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Information Technology

OVERVIEW

The Bureau of Information Technology provides leadership in strategic Citywide information technology planning and development activities and services, including:

- ◆ Corporate Geographic Information Systems
- ◆ Support for the City's financial management systems (IBIS) and other Citywide administrative applications
- ◆ Data network administration
- ◆ E-mail administration
- ◆ Virus protection and recovery
- ◆ HelpDesk/Desktop support

CHANGES FROM PRIOR YEAR

FY 2002-07 Strategic Business Plan

The FY 2002-03 Adopted Budget for the Bureau of Information Technology (BIT) totals \$16 million - a \$3.2 million decrease from the current year. The reduction is attributed to:

- ◆ \$195,000 in savings associated with the Administrative Review effort which achieves the total of \$1.3 million in savings directed by the Council
- ◆ A reduced beginning fund balance resulting from meeting the bonded debt expenditure covenant associated with the Corporate GIS Hub project in the current year
- ◆ A 7% operating budget reduction as directed by Council

In FY 2002-03, in accordance with the Administrative Review initiative, BIT will continue to build a consolidated IT service delivery organization with an e-government focus. The goal is to support a standard, corporate infrastructure that will yield additional savings.

BIT's FY 2002-07 strategic business plan will guide the City of Portland's information technology efforts. In recognition of the City's financial challenges, this plan calls for ambitious changes at a time when budget resources are very tight. Therefore, the plan is cost neutral.

There are three major consolidation efforts projected for FY 2003:

- ◆ Implementation of a consolidated of HelpDesk/Desktop service model
- ◆ Transfer of OMF and Fire Bureau vertical applications staff (including GIS) and supporting materials and services
- ◆ Continued review, update, and implementation of IT standards and policies

Overview of Programs

CORPORATE GIS

The Corporate Geographic Information Systems (CGIS) program manages the design of data structures, hardware and software configurations, and procedures for sharing data and information that have geographic features. The goal of CGIS is to ensure there is a Citywide effort to share data and applications efficiently.

Corporate GIS is supported by the General Fund, interagency revenues, and bonded debt. In FY 2002-03 the CGIS Budget totals approximately \$1.8 million and supports costs associated with implementation of the program's largest and most critical project, the Enterprise GIS Hub (Hub).

The Hub is a large-scale, enterprise-wide spatial data warehouse that uses relational database management systems and GIS technologies to support storage, maintenance, and access to corporate data. The Hub will serve as a central repository for corporate data that can be shared among all bureaus across multiple GIS platforms. The program's expenses include nine staff and materials and services to support implementation of the Hub and on-going operating costs, including database development, address standards, and layer maintenance.

COMPUTER SERVICES

This program is composed of four direct service areas: Application and Development, HelpDesk/Desktop and Local Area Network (LAN) Support, Data Processing and Technical Support, and Corporate Geographic Information Systems. This program provides services to:

- ◆ Manage Citywide integrated information networks which link multiple, independent City organizations.
- ◆ Develop, implement, operate, and maintain quality and cost effective information systems to support the City's business activities.
- ◆ Support users of information technology by providing troubleshooting and service restoration.
- ◆ Develop Citywide e-government strategies for improved application of technology to improve citizen access to information and services and improve the internal effectiveness of the City operations.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	4,037,258	4,104,223	11,368,095	11,445,015	11,551,653
External Materials and Services	3,265,461	2,914,904	6,997,118	3,379,483	3,235,294
Internal Materials and Services	8,279,243	1,120,394	1,073,716	1,544,078	1,564,417
Minor Capital Outlay	489,251	103,331	121,773	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	16,071,213	8,242,852	19,560,702	16,368,576	16,351,364
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 16,071,213	\$ 8,242,852	\$ 19,560,702	\$ 16,368,576	\$ 16,351,364
Allocated Overhead	189,622	186,453	154,756	251,461	261,255
Total Cost with Allocated Overhead	16,260,835	8,429,305	19,715,458	16,620,037	16,612,619
RESOURCES					
Information Technology Fund	16,071,213	8,242,852	19,560,702	16,368,576	16,351,364
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
IT Planning	9,376,859	3,876	0	0	0
<i>Positions</i>	<i>50</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Corporate GIS	0	2,382,323	5,665,635	1,855,505	1,855,505
<i>Positions</i>	<i>0</i>	<i>9</i>	<i>9</i>	<i>8</i>	<i>8</i>
Computer Services	6,694,354	5,856,653	13,895,067	14,513,071	14,495,859
<i>Positions</i>	<i>0</i>	<i>41</i>	<i>120</i>	<i>119</i>	<i>120</i>
TOTAL PROGRAMS	\$ 16,071,213	\$ 8,242,852	\$ 19,560,702	\$ 16,368,576	\$ 16,351,364
<i>Positions</i>	<i>50</i>	<i>50</i>	<i>129</i>	<i>127</i>	<i>128</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	2,488,838	2,572,585	8,089,797	8,347,656	8,427,251
512000 Part-Time Employees	93,405	56,264	361,346	117,598	117,598
514000 Overtime	40,658	30,692	97,257	157,178	157,178
515000 Premium Pay	13,171	8,981	20,309	23,704	23,704
517000 Benefits	987,505	1,006,696	2,799,386	2,798,879	2,825,922
518000 Paid Absence	413,681	429,005	0	0	0
Total Personnel Services	4,037,258	4,104,223	11,368,095	11,445,015	11,551,653
Materials and Services					
External Materials and Services					
521000 Professional Services	1,109,311	1,206,160	3,687,728	133,129	133,129
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	314,168	146,208	0	0	0
524000 Repair & Maintenance Services	160,590	160,946	206,402	232,219	232,219
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	165,817	148,139	44,633	45,882	45,882
531000 Office Supplies	9,065	4,909	9,074	9,020	9,020
532000 Operating Supplies	901,163	892,872	1,296,862	1,134,657	1,088,657
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	242,047	167,308	410,106	761,985	724,434
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	0	0	0	0
541000 Education	51,985	28,275	227,649	248,586	248,586
542000 Local Travel	892	0	1,082	84	84
543000 Out-of-Town Travel	23,176	6,460	29,927	18,015	18,015
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	287,247	153,627	1,083,655	795,906	735,268
Total External Materials and Services	3,265,461	2,914,904	6,997,118	3,379,483	3,235,294
Internal Materials and Services					
551000 Fleet Services	1,508	794	1,442	1,442	1,442
552000 Printing & Distribution	44,555	10,204	23,050	12,080	12,080
553000 Facilities Services	453,966	531,991	505,346	600,310	600,310
554000 Communications Services	186,376	167,872	86,617	104,531	104,531
555000 Data Processing Services	109,780	26,778	162,323	167,078	167,078
556000 Insurance	32,727	47,847	47,150	45,524	45,524
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	675,333	102,622	0	0	0
559000 Other Fund Services	6,774,998	232,286	244,788	613,113	633,452
Total Internal Materials and Services	8,279,243	1,120,394	1,070,716	1,544,078	1,564,417
Total Materials and Services	11,544,704	4,035,298	8,067,834	4,923,561	4,799,711
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	489,251	103,331	121,773	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	489,251	103,331	121,773	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	3,000	0	0
TOTAL DIVISION EXPENSES	\$ 16,071,213	\$ 8,242,852	\$ 19,560,702	\$ 16,368,576	\$ 16,351,364

Class	Title	Actual	Actual	Revised		Proposed		Adopted	
		FY 2000	FY 2001	FY 2001-02	FY 2001-02	FY 2002-03	FY 2002-03	FY 2002-03	FY 2002-03
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	1	1	1	40,127	1	44,808	1	44,808
815	Administrative Specialist	2	2	2	67,591	1	34,776	1	34,776
2532	Applications Analyst II	4	2	4	217,304	3	165,634	3	165,634
2533	Applications Analyst III	2	4	6	365,460	9	574,301	9	574,301
2534	Applications Analyst IV	3	3	3	198,516	4	275,579	4	275,579
928	Bureau Administrative Manager	3	2	2	152,506	1	77,924	2	157,519
934	Chief Bureau Operations Manager	0	0	0	0	2	184,674	2	184,674
2516	Data Processing Operations Mgr.	1	0	0	0	0	0	0	0
975	Deputy Director	0	1	1	85,365	0	0	0	0
318	Emergency Comm Operator II	0	0	0	0	0	0	0	0
2541	Information Systems Analyst I	1	0	2	88,411	3	152,669	3	152,669
2542	Information Systems Analyst II	4	3	14	753,637	24	1,410,245	24	1,410,245
2543	Information Systems Analyst III	2	6	20	1,058,899	13	782,946	13	782,946
2544	Information Systems Analyst IV	5	2	9	559,385	8	535,415	8	535,415
2550	Information Systems Manager	0	0	4	314,671	4	314,308	4	314,308
2546	Information Systems Supervisor	0	1	3	205,338	3	222,727	3	222,727
2522	Information Systems Tech I	0	0	0	0	1	49,943	1	49,943
2523	Information Systems Tech II	5	4	13	637,398	13	688,057	13	688,057
2524	Information Systems Tech III	0	0	1	52,978	2	114,338	2	114,338
2554	Information Technology Director	1	1	1	94,598	1	97,718	1	97,718
100	Office Support Specialist I	0	0	1	31,096	0	0	0	0
2545	Principal Info Systems Analyst	9	13	22	1,543,639	22	1,612,493	22	1,612,493
966	Program Coordinator	1	1	1	62,046	0	0	0	0
968	Program Manager I	0	0	1	63,453	0	0	0	0
970	Program Manager II	0	0	1	71,933	0	0	0	0
971	Program Manager III	0	0	1	68,415	1	74,895	1	74,895
972	Program Manager IV	0	0	2	170,730	0	0	0	0
973	Program Manager V	0	0	3	262,394	2	191,706	2	191,706
816	Senior Administrative Specialist	2	0	0	0	0	0	0	0
2552	Senior Information Systems Mgr	4	4	11	923,907	8	706,184	8	706,184
3107	Technician I	0	0	0	0	1	36,316	1	36,316
TOTAL FULL-TIME POSITIONS		50	50	129	\$ 8,089,797	127	\$ 8,347,656	128	\$ 8,427,251

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	16,692,213	0	16,692,213	127.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(771,460)	0	(771,460)	(7.0)	7% BIT Service Reductions
	326,542	0	326,542	4.0	Transfer of Fire Applications Staff
	239,750	0	239,750	3.0	Transfer of OMF Desktop Staff
	(338,916)	0	(338,916)	0.0	Technical Adjustment -- Personal Services Estimate
	85,000	0	85,000	0.0	Increased I/As with GIS
	1,447	0	1,447	0.0	Internal Service Adjustments (net)
	134,000	0	134,000	0.0	GIS Relocation to Portland Building
Approved Budget Additions and Reductions					
	(37,551)	0	(37,551)	0.0	Response to Parks Bond Levy Failure
Adopted Budget Additions and Reductions					
	0	20,339	20,339	0.0	COPPEA Professional Development
	0	0	0	1.0	Restoration of Position; cut taken elsewhere
	(361,188)	20,339	(340,849)	1.0	Total FY 2002-03 Decision Packages
			\$ 16,351,364	128.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Bureau of Purchases

OVERVIEW

The Bureau of Purchases provides leadership and management of the City's procurement and contractor development activities. These activities are undertaken by the bureau's three divisions: Contractor Development, Procurement, and Operations.

Contractor Development

Contractor Development is responsible for implementing the Council's Fair Contracting and Employment Strategy, which includes:

- ◆ Implementation of the Sheltered Market program
- ◆ Providing technical assistance for small firms
- ◆ Implementation of good faith efforts requirements
- ◆ Outreach to minority, women-owned, and emerging small businesses (M/W/ESB)
- ◆ Coordinating Equal Employment Opportunity certification
- ◆ Contract compliance and monitoring

Procurement

Procurement administers the City's competitive bidding and contracting process to acquire goods and services for City bureaus and ensures compliance with applicable laws. Additionally, the program provides expert consulting services to bureaus with regard to Professional, Technical, and Expert (PTE) contracts.

Operations

Operations administers the City's procurement and travel contracts, as well as the City's EEO Program and Prequalification program. In addition, the bureau's internal business needs are supported through this program.

CHANGES FROM PRIOR YEAR

Reductions

The Bureau of Purchases' Adopted Budget is reduced by \$193,302 through the following actions:

- ◆ Elimination of a Program Coordinator position (\$76,557) in the Contractor Development program. This position was vacated and the work has been realigned within the team.
- ◆ A \$15,000 decrease in support for the regional Mentor Protege program, reducing the number of small businesses supported by the City from four to three.
- ◆ Elimination of rent at the Oregon Association of Minority Enterprises (OAME) community office (\$5,400). The office currently assists City staff with outreach to community members and targeted firms in support of the Fair Contracting and Employment Strategy.
- ◆ Technical Assistance program (\$50,000) funding would shift a portion of the cost for the technical assistance to the participating contractors.
- ◆ Elimination of an Office Support Specialist III position (\$46,345) in the Operations program. The reduction of this position will require EEO certifications to shift from annual to biennial certification.

**Organizational
Efficiencies**

To achieve internal organizational efficiencies, budget development and monitoring for the Bureau of Purchases will be performed by OMF Business Operations within existing resources. This allows Purchases to redirect staff time currently spent on these activities to other critical services, while preserving the bureau director's ability to shape and manage the bureau's budget.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,635,445	1,820,989	1,918,673	1,926,248	1,926,248
External Materials and Services	512,841	537,585	550,587	518,548	518,548
Internal Materials and Services	388,134	407,981	607,697	910,290	910,290
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	2,536,420	2,766,555	3,076,957	3,355,086	3,355,086
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 2,536,420	\$ 2,766,555	\$ 3,076,957	\$ 3,355,086	\$ 3,355,086
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	2,536,420	2,766,555	3,076,957	3,355,086	3,355,086
RESOURCES					
General Fund Discretionary	494,018	619,884	534,186	587,650	614,448
Non-Discretionary Revenues					
Grants & Donations	23,910	0	0	0	0
Contract Revenues	90,163	216,710	297,582	297,582	297,582
Interagency Revenues	127,822	146,489	158,175	165,525	165,525
Program Revenue	92,464	93,320	0	0	0
Overhead Recovery	1,708,043	1,690,152	2,087,014	2,304,329	2,277,531
Total Non-Discretionary Revenues	2,042,402	2,146,671	2,542,771	2,767,436	2,740,638
TOTAL GENERAL FUND RESOURCES	2,536,420	\$ 2,766,555	\$ 3,076,957	\$ 3,355,086	\$ 3,355,086
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Purchases	0	28	3,076,957	3,355,086	3,355,086
<i>Positions</i>	0	0	29	27	27
Purchasing Admin	510,790	746,595	0	0	0
<i>Positions</i>	6	7	0	0	0
Procurement	1,069,469	883,143	0	0	0
<i>Positions</i>	11	11	0	0	0
Contractor Development	956,161	1,136,789	0	0	0
<i>Positions</i>	11	10	0	0	0
TOTAL PROGRAMS	\$ 2,536,420	\$ 2,766,555	\$ 3,076,957	\$ 3,355,086	\$ 3,355,086
<i>Positions</i>	28	28	29	27	27

Bureau of Purchases AU 319 & 307

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	1,042,420	1,167,593	1,429,499	1,438,770	1,438,770
514000 Overtime	0	197	0	0	0
515000 Premium Pay	4,532	5,151	0	0	0
517000 Benefits	426,230	461,727	489,174	487,478	487,478
518000 Paid Absence	162,263	186,321	0	0	0
Total Personnel Services	1,635,445	1,820,989	1,918,673	1,926,248	1,926,248
Materials and Services					
External Materials and Services					
521000 Professional Services	361,133	362,395	358,732	294,993	294,993
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	28,364	26,357	40,000	41,360	41,360
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	8,638	6,063	41,866	57,269	57,269
531000 Office Supplies	23,166	26,907	29,000	29,986	29,986
532000 Operating Supplies	8,046	11,862	9,000	9,306	9,306
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	1,620	0	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	44,181	73,495	44,489	40,602	54,602
541000 Education	22,643	14,457	9,500	9,952	9,952
542000 Local Travel	112	0	350	361	361
543000 Out-of-Town Travel	16,230	14,458	7,650	7,815	7,815
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	(1,292)	1,591	10,000	26,904	12,904
Total External Materials and Services	512,841	537,585	550,587	518,548	518,548
Internal Materials and Services					
551000 Fleet Services	5,296	5,170	5,665	5,863	5,863
552000 Printing & Distribution	63,030	56,465	71,399	58,840	58,840
553000 Facilities Services	94,968	104,191	99,711	138,168	138,168
554000 Communications Services	26,536	29,041	32,841	28,539	28,539
555000 Data Processing Services	68,832	58,997	69,862	68,397	68,397
556000 Insurance	27,446	38,406	37,711	24,199	24,199
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	47,950	17,436	290,508	586,284	586,284
559000 Other Fund Services	54,076	98,275	0	0	0
Total Internal Materials and Services	388,134	407,981	607,697	910,290	910,290
Total Materials and Services	900,975	945,566	1,158,284	1,428,838	1,428,838
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL DIVISION EXPENSES	\$ 2,536,420	\$ 2,766,555	\$ 3,076,957	\$ 3,355,086	\$ 3,355,086

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
819	Administrative Assistant	1	1	1	51,126	1	52,806	1	52,806
962	Assistant Program Specialist	1	1	0	0	1	45,887	1	45,887
102	Office Support Specialist II	1	1	1	29,078	1	31,940	1	31,940
104	Office Support Specialist III	3	3	5	186,090	3	122,664	3	122,664
419	Procurement Assistant	4	4	3	109,200	3	116,146	3	116,146
424	Procurement Director	1	1	1	85,384	1	88,197	1	88,197
423	Procurement Manager	2	2	0	0	0	0	0	0
420	Procurement Specialist	1	1	2	85,132	2	92,728	2	92,728
421	Procurement Specialist, Senior	5	5	5	271,782	5	285,481	5	285,481
966	Program Coordinator	4	4	5	260,748	4	234,587	4	234,587
971	Program Manager III	0	0	2	151,419	2	155,389	2	155,389
964	Program Specialist	5	5	4	199,540	4	212,945	4	212,945
TOTAL FULL-TIME POSITIONS		28	28	29	\$ 1,429,499	27	\$ 1,438,770	27	\$ 1,438,770

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

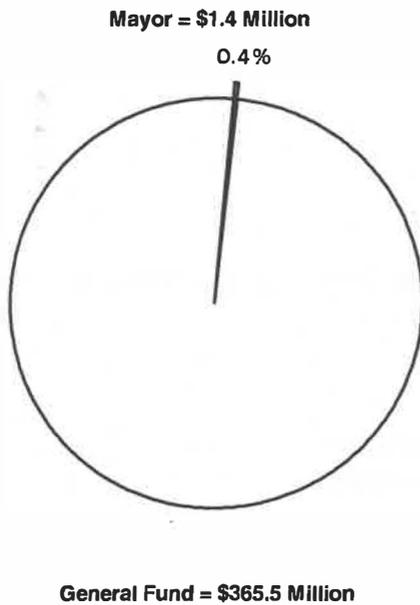
ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	3,559,484	0	3,559,484	29.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(193,302)	0	(193,302)	(2.0)	CDD and Operations Reductions
	0	0	0	0.0	Overhead/ Discretionary Shift
	(11,096)	0	(11,096)	0.0	Internal Service Fund Adjustments
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	0	0	0	0.0	None
	(204,398)	0	(204,398)	(2.0)	Total FY 2002-03 Decision Packages
			\$ 3,355,086	27.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Office of the Mayor

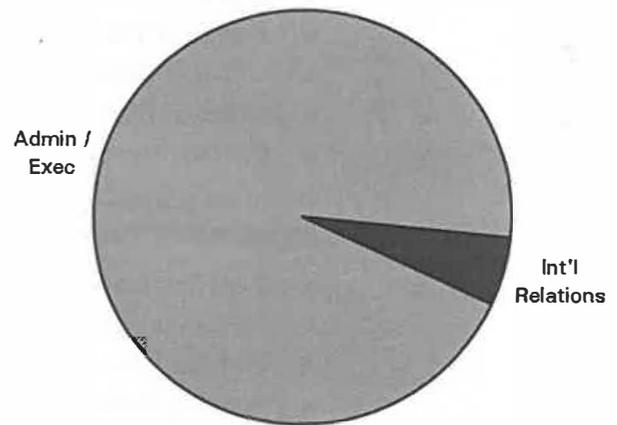
Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

Percent of General Fund



Bureau Programs



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	1,444,705	1,380,608	-64,097	-9.6%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 1,444,705	\$ 1,380,608	\$ -64,097	-9.6%
Authorized Full-Time Positions	15	15	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU MISSION

The Office of the Mayor strives for excellence in implementing the Mayor's vision and supporting her leadership.

BUREAU OVERVIEW

As a member of the City Council, Mayor Katz oversees the following bureaus:

- ◆ Office of the City Attorney
- ◆ Office of Management and Finance
- ◆ Bureau of Police
- ◆ Bureau of Planning
- ◆ Office of Governmental Relations
- ◆ Office of Planning and Development Review
- ◆ Portland Development Commission

Being the general representative of the City, the Mayor serves as liaison to various organizations. These include:

- ◆ Civil Service Board
- ◆ Education Advocate
- ◆ Fire and Police Disability and Retirement Board
- ◆ Portland Multnomah Progress Board (co-chair)
- ◆ Workforce Development Board
- ◆ Portland Historic Landmarks Commission
- ◆ Design Commission
- ◆ Adjustment Committee
- ◆ Building Board of Appeals
- ◆ Public Safety Coordinating Council
- ◆ Portland Planning Commission
- ◆ Leaders Roundtable
- ◆ Mayor's Business Roundtable
- ◆ Portland/Oregon Visitors Association
- ◆ METRO Policy Advisory Committee

As part of her Executive Order dated June 12, 2002, reassigning bureau portfolios, the Mayor added the Office of Planning and Development Review to her portfolio. This decision will allow the Mayor's office to improve and expand on the regulatory and policy reforms for this bureau, which began with the adoption of Blueprint 2000.

HIGHLIGHTS OF PROGRAMS AND SERVICES

The Mayor is charged with the responsibility to exercise careful supervision over the general affairs of the City. In doing so, some of the Mayor's duties include preparing a proposed City budget each year, chairing Council meetings, and assigning bureau oversight to Council members.

SUMMARY OF BUDGET DECISIONS

In order to meet the required reductions, the Office of the Mayor made cuts to its budgets for materials and services and personal services. Interagency agreements were also reduced to provide savings to the General Fund.

Overview of Programs

ADMINISTRATIVE/EXECUTIVE

Coordination and Constituent Service

The Administrative/Executive program oversees several functions within the Office of the Mayor. The program coordinates activities and workload of the City Council and City officials and supports the legislative duties of the Mayor. The program establishes policies for the Mayor's bureaus and ensures they are efficient and responsive to the Mayor and the Council's directives:

The program plays a significant role in facilitating communication between City bureaus and the public and encourages citizen participation. It is important to respond to and to seek resolution to citizen concerns. To achieve this, the program develops and maintains communications between City government and numerous community groups.

Education Advocate

In 1998, in recognition of the importance of a quality education that prepares young people for entry into the workforce, post-secondary education, and training, the Mayor created the position of Education Advocate for the City.

Workforce Development

The Workforce Development program focuses on school-to-work opportunities, developing a more cohesive, coordinated youth employment system and increasing coordination and capacity in adult workforce development programs.

INTERNATIONAL RELATIONS

The Office of International Relations provides leadership and staff support in the planning and implementation of the metropolitan region's international economic development program. The office is a resource for international economic and cultural exchange opportunities. Program staff advise the Mayor, City Council, City bureaus and staff, and the community on issues of international protocol. The office fosters active and widely supported sister city organizations and relationships. The goal of the office is to increase the international profile and prestige of the City of Portland.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	1,091,563	1,003,935	979,697	962,976	956,763
External Materials and Services	62,967	73,108	58,597	32,904	32,904
Internal Materials and Services	228,306	353,517	406,411	390,941	390,941
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	1,382,836	1,430,560	1,444,705	1,386,821	1,380,608
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 1,382,836	\$ 1,430,560	\$ 1,444,705	\$ 1,386,821	\$ 1,380,608
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	1,382,836	1,430,560	1,444,705	1,386,821	1,380,608
RESOURCES					
General Fund Discretionary	528,062	587,250	627,065	633,749	585,331
Non-Discretionary Revenues					
Grants & Donations	1,013	50,043	16,445	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	0	0	0
Program Revenue	78,114	74,750	78,159	89,184	82,971
Overhead Recovery	775,647	718,517	723,036	663,888	712,306
Total Non-Discretionary Revenues	854,774	843,310	817,640	753,072	795,277
TOTAL GENERAL FUND RESOURCES	1,382,836	\$ 1,430,560	\$ 1,444,705	\$ 1,386,821	\$ 1,380,608
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Administrative/Executive	1,246,422	1,348,151	1,373,986	1,313,660	1,307,447
<i>Positions</i>	<i>14</i>	<i>14</i>	<i>14</i>	<i>14</i>	<i>14</i>
International Relations	136,414	82,409	70,719	73,161	73,161
<i>Positions</i>	<i>2</i>	<i>2</i>	<i>1</i>	<i>1</i>	<i>1</i>
TOTAL PROGRAMS	\$ 1,382,836	\$ 1,430,560	\$ 1,444,705	\$ 1,386,821	\$ 1,380,608
<i>Positions</i>	<i>16</i>	<i>16</i>	<i>15</i>	<i>15</i>	<i>15</i>
<i>General Fund Discretionary Positions</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	724,892	685,676	735,199	709,933	722,873
512000 Part-Time Employees	20,941	10,964	11,116	0	0
514000 Overtime	0	2,097	0	0	0
517000 Benefits	273,320	229,412	233,382	253,043	233,890
518000 Paid Absence	72,410	75,786	0	0	0
Total Personnel Services	1,091,563	1,003,935	979,697	962,976	956,763
Materials and Services					
External Materials and Services					
521000 Professional Services	16,913	4,197	3,472	2,454	2,454
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	28	0	0	0	0
524000 Repair & Maintenance Services	1,531	771	870	1,034	1,034
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	21,631	6,275	32,959	0	0
531000 Office Supplies	10,334	4,810	5,565	4,929	4,929
532000 Operating Supplies	316	340	200	405	405
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	69	100	800	8,523	8,523
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	2,640	0	2,809	2,809
541000 Education	1,490	900	260	500	500
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	0	865	1,684	1,500	1,500
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	10,655	52,210	12,787	10,750	10,750
Total External Materials and Services	62,967	73,108	58,597	32,904	32,904
Internal Materials and Services					
551000 Fleet Services	5,310	5,557	3,075	909	909
552000 Printing & Distribution	24,869	20,456	26,659	23,158	23,158
553000 Facilities Services	111,430	112,261	113,273	117,004	117,004
554000 Communications Services	27,994	25,458	26,371	22,117	22,117
555000 Data Processing Services	28,469	66,356	71,213	69,332	69,332
556000 Insurance	30,234	28,538	28,125	25,236	25,236
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	94,891	137,695	133,185	133,185
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	228,306	353,517	406,411	390,941	390,941
Total Materials and Services	291,273	426,625	465,008	423,845	423,845
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 1,382,836	\$ 1,430,560	\$ 1,444,705	\$ 1,386,821	\$ 1,380,608

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
230	Administrative Secretary	1	2	1	35,131	2	31,571	2	33,659
821	Commissioners Assistant I	11	11	10	468,440	0	0	1	44,291
822	Commissioners Assistant II	0	0	0	0	7	341,592	6	309,677
823	Commissioners Assistant III	0	0	0	0	2	127,469	2	127,469
824	Executive Assistant	1	1	1	77,064	1	79,595	1	79,595
1	Mayor	1	1	1	95,950	1	99,117	1	99,117
900	Staff Assistant	2	1	2	58,614	2	30,589	2	29,065
TOTAL FULL-TIME POSITIONS		16	16	15	\$ 735,199	15	\$ 709,933	15	\$ 722,873

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	1,491,552	0	1,491,552	15.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(97,460)	0	(97,460)	0.0	7% Reduction
	7,842	0	7,842	0.0	City Hall Security
	(13,506)	0	(13,506)	0.0	Internal Service Funds 7% Reductions
	(1,373)	0	(1,373)	0.0	Facilities BOMA Adjustment
	(234)	0	(234)	0.0	HR Reductions (Training Package)
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	(6,213)	0	(6,213)	0.0	Personal Services Correction
	(110,944)	0	(110,944)	0.0	Total FY 2002-03 Decision Packages
			\$ 1,380,608	15.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

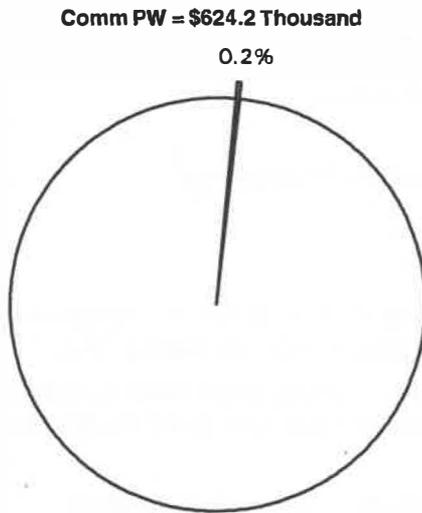


Commissioner of Public Works

Legislative, Administrative and Support Services Service Area

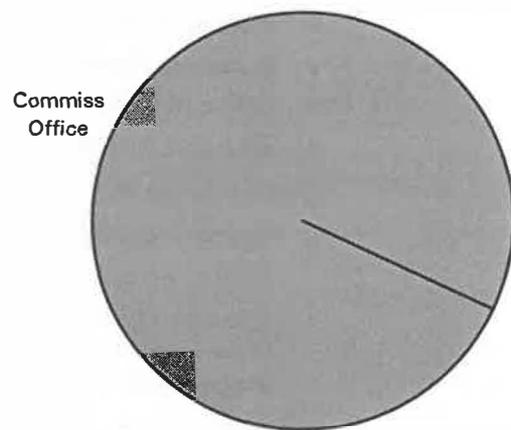
Erik Sten, Commissioner-in-Charge

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	651,068	624,170	-26,898	-9.4%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 651,068	\$ 624,170	\$ -26,898	-9.4%
Authorized Full-Time Positions	8	7	-1	-17.3%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU OVERVIEW

The Office of the Commissioner of Public Works encompasses the legislative, policy setting, and management responsibilities of the Commissioner as set out in Chapter 2 of the City Charter. These include legislative functions, policy development, bureau management, internal office management, citizen outreach, and the Commissioner's responsibilities as a civic leader.

The Commissioner of Public Works is responsible for overseeing several City bureaus, as assigned by the Mayor. The Commissioner's responsibilities include:

- ◆ Bureau of Fire, Rescue and Emergency Services
- ◆ Bureau of Housing and Community Development
- ◆ Bureau of Emergency Communications
- ◆ Office of Cable Communications and Franchise Management
- ◆ Regional Arts & Culture Council

Commissioner Sten also has oversight for:

- ◆ The Endangered Species Act (ESA) Program. This is the City's response to the listing of local steelhead and salmon species as threatened under the federal ESA.
- ◆ The City's global warming action plan. As part of this assignment, Commissioner Sten is the City's representative to the International Council on Local Environmental Initiatives (ICLEI).

The Commissioner also serves as the City's liaison to several organizations:

- ◆ Emergency Medical Services Policy Board
- ◆ BOEC Users Group
- ◆ BOEC Finance Committee
- ◆ Mt. Hood Cable Regulatory Commission
- ◆ Portland Cable Access Board
- ◆ Portland Development Commission Housing Program
- ◆ Housing Authority of Portland
- ◆ Housing and Community Development Commission

The office's total budget for FY 2002-03 is \$624,710. The office has seven FTE - a reduction of one FTE from the previous fiscal year.

SUMMARY OF BUDGET DECISIONS

The office reduced one position and adjustments were made to interagency agreements to provide savings to the General Fund. In addition, funds were added to the office to equalize the appropriation for all commissioners' offices.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	513,725	532,132	533,297	510,158	510,534
External Materials and Services	19,564	3,371	6,968	10,925	10,925
Internal Materials and Services	77,865	96,224	110,803	102,711	102,711
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	611,154	631,727	651,068	623,794	624,170
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 611,154	\$ 631,727	\$ 651,068	\$ 623,794	\$ 624,170
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	611,154	631,727	651,068	623,794	624,170
RESOURCES					
General Fund Discretionary	273,528	285,255	302,189	303,216	281,348
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	0	0	0
Program Revenue	2,546	0	0	0	0
Overhead Recovery	335,080	346,472	348,879	320,578	342,822
Total Non-Discretionary Revenues	337,626	346,472	348,879	320,578	342,822
TOTAL GENERAL FUND RESOURCES	611,154	\$ 631,727	\$ 651,068	\$ 623,794	\$ 624,170
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Commissioner's Office	611,154	631,727	651,068	623,794	624,170
<i>Positions</i>	<i>8</i>	<i>8</i>	<i>8</i>	<i>7</i>	<i>7</i>
TOTAL PROGRAMS	\$ 611,154	\$ 631,727	\$ 651,068	\$ 623,794	\$ 624,170
<i>Positions</i>	<i>8</i>	<i>8</i>	<i>8</i>	<i>7</i>	<i>7</i>
<i>General Fund Discretionary Positions</i>	<i>4</i>	<i>4</i>	<i>4</i>	<i>3</i>	<i>3</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	344,494	313,718	397,010	379,855	379,855
512000 Part-Time Employees	4,729	40,885	0	0	0
517000 Benefits	128,518	133,434	136,287	130,303	130,679
518000 Paid Absence	35,984	44,095	0	0	0
Total Personnel Services	513,725	532,132	533,297	510,158	510,534
Materials and Services					
External Materials and Services					
521000 Professional Services	0	0	0	0	0
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	217	211	225	225	225
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	0	0	0	0	0
531000 Office Supplies	1,268	844	1,000	1,000	1,000
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	10,618	0	1,043	5,000	5,000
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	3,193	1,620	3,500	3,500	3,500
541000 Education	578	135	200	200	200
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	3,690	561	1,000	1,000	1,000
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	0	0	0	0	0
Total External Materials and Services	19,564	3,371	6,968	10,925	10,925
Internal Materials and Services					
551000 Fleet Services	108	573	309	515	515
552000 Printing & Distribution	6,749	3,477	7,064	5,964	5,964
553000 Facilities Services	46,720	47,425	49,149	50,777	50,777
554000 Communications Services	10,141	9,006	9,515	9,535	9,535
555000 Data Processing Services	7,390	21,728	23,011	17,270	17,270
556000 Insurance	6,757	14,015	13,748	13,578	13,578
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	8,007	5,072	5,072
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	77,865	96,224	110,803	102,711	102,711
Total Materials and Services	97,429	99,595	117,771	113,636	113,636
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 611,154	\$ 631,727	\$ 651,068	\$ 623,794	\$ 624,170

Commissioner of Public Works AU 190

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
230	Administrative Secretary	1	1	1	34,778	1	36,115	1	36,115
2	Commissioner	1	1	1	80,808	1	83,478	1	83,478
821	Commissioners Assistant I	0	1	1	42,099	0	0	0	0
822	Commissioners Assistant II	5	4	4	177,923	4	196,829	4	196,829
824	Executive Assistant	1	1	1	61,402	1	63,433	1	63,433
TOTAL FULL-TIME POSITIONS		8	8	8	\$ 397,010	7	\$ 379,855	7	\$ 379,855

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	676,781	0	676,781	8.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(49,846)	0	(49,846)	(1.0)	7% Bureau Cut - Position Reduction
	3,423	0	3,423	0.0	City Hall Security
	(5,841)	0	(5,841)	0.0	Internal Service Funds 7% Reductions
	(598)	0	(598)	0.0	Facilities BOMA Adjustment
	(125)	0	(125)	0.0	HR Reductions (Training Package)
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	376	0	376	0.0	Equalization of Commissioners' Offices
	(52,611)	0	(52,611)	(1.0)	Total FY 2002-03 Decision Packages
			\$ 624,170	7.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded



Commissioner of Public Safety

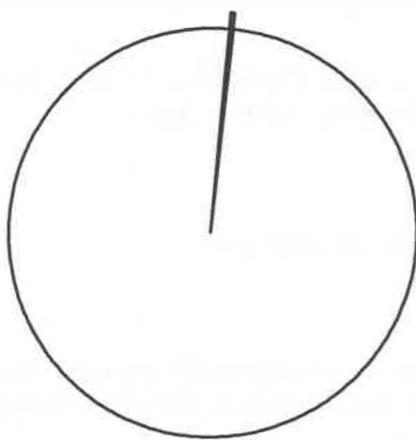
Legislative, Administrative and Support Services Service Area

Vacant, Commissioner-in-Charge

Percent of General Fund

Comm PS = \$513.9 Thousand

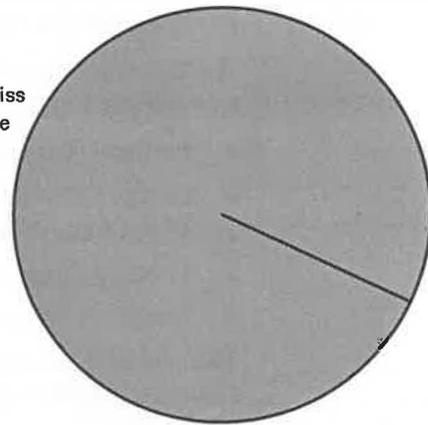
0.1%



General Fund = \$365.5 Million

Bureau Programs

Commiss
Office



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	653,418	513,895	-139,523	-25.6%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 653,418	\$ 513,895	\$ -139,523	-25.6%
Authorized Full-Time Positions	6	5	-1	-21.2%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU OVERVIEW

The Office of the Commissioner of Public Safety consists of one administrative program which includes all personnel and material resources to fulfill the policy setting, legislative, and bureau management responsibilities of the Commissioner as outlined in Chapter 2 of the Portland City Charter.

As a member of the City Council, the Commissioner of Public Safety is responsible for overseeing various City bureaus. In FY 2001-02 these included:

- ◆ Portland Office of Transportation
- ◆ Office of Planning and Development Review
- ◆ Regional Arts and Culture Council

The Commissioner of Public Safety also serves as the City's liaison to several inter-governmental organizations. In FY 2001-02 his assignments included:

- ◆ Portland Historic Landmarks Commission
- ◆ Design Commission
- ◆ Metro Joint Policy Advisory Committee on Transportation
- ◆ Portland Streetcar, Inc.
- ◆ League of Oregon Cities

The seat of the Commissioner of Public Safety is currently vacant due to the resignation of Commissioner Charlie Hales in May, 2002. A special election will be held in September to fill the seat.

SUMMARY OF BUDGET DECISIONS

The budget includes three main adjustments:

- ◆ The office eliminated one position, generating a savings of \$45,066. Adjustments were also made to interagency agreements to provide savings to the General Fund.
- ◆ The office's appropriation was decreased \$7,197. The funds were provided to other commissioners' offices to equalize all their budgets.
- ◆ The office's budget was decreased \$110,275 due to the seat of the Commissioner of Public Safety being vacant for part of FY 2002-03. The one-time savings is being re-appropriated to the Planning Bureau to support work on the Farmers' Market project.

Commissioner of Public Safety AU 191

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	494,454	513,475	513,337	486,081	377,106
External Materials and Services	28,604	27,712	28,481	42,486	33,989
Internal Materials and Services	81,280	96,714	111,600	102,800	102,800
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	604,338	637,901	653,418	631,367	513,895
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 604,338	\$ 637,901	\$ 653,418	\$ 631,367	\$ 513,895
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	604,338	637,901	653,418	631,367	513,895
RESOURCES					
General Fund Discretionary	269,238	290,907	303,285	307,048	219,474
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	0	0	0
Program Revenue	20	31	0	0	0
Overhead Recovery	335,080	346,963	350,133	324,319	294,421
Total Non-Discretionary Revenues	335,100	346,994	350,133	324,319	294,421
TOTAL GENERAL FUND RESOURCES	604,338	\$ 637,901	\$ 653,418	\$ 631,367	\$ 513,895
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Commissioner's Office	604,338	637,901	653,418	631,367	513,895
Positions	6	6	6	5	5
TOTAL PROGRAMS	\$ 604,338	\$ 637,901	\$ 653,418	\$ 631,367	\$ 513,895
Positions	6	6	6	5	5
<i>General Fund Discretionary Positions</i>	3	3	3	2	2

Commissioner of Public Safety AU 191

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	339,000	339,750	373,339	333,162	266,530
512000 Part-Time Employees	10,946	12,001	13,216	39,816	20,094
514000 Overtime	0	275	0	0	0
517000 Benefits	114,752	125,288	126,782	113,103	90,482
518000 Paid Absence	29,756	36,161	0	0	0
Total Personnel Services	494,454	513,475	513,337	486,081	377,106
Materials and Services					
External Materials and Services					
521000 Professional Services	7,275	8,780	8,811	12,000	9,600
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	1,039	1,736	1,612	2,000	1,600
531000 Office Supplies	911	869	936	1,200	960
532000 Operating Supplies	1,170	3,709	3,097	2,000	1,600
533000 Repair & Maintenance Supplies	905	0	831	1,000	800
534000 Minor Equipment & Tools	0	377	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	2,158	4,561	5,599	5,360	4,288
541000 Education	2,672	2,805	2,093	5,000	4,000
542000 Local Travel	0	0	0	0	0
543000 Out-of-Town Travel	9,135	4,875	5,502	9,000	7,200
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	3,339	0	0	4,926	3,941
Total External Materials and Services	28,604	27,712	28,481	42,486	33,989
Internal Materials and Services					
551000 Fleet Services	1,997	954	2,678	578	578
552000 Printing & Distribution	5,811	4,009	6,646	5,719	5,719
553000 Facilities Services	47,067	47,479	49,659	51,302	51,302
554000 Communications Services	7,436	7,932	7,408	7,437	7,437
555000 Data Processing Services	6,806	23,509	25,605	19,789	19,789
556000 Insurance	12,163	12,831	12,598	13,537	13,537
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	7,006	4,438	4,438
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	81,280	96,714	111,600	102,800	102,800
Total Materials and Services	109,884	124,426	140,081	145,286	136,789
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 604,338	\$ 637,901	\$ 653,418	\$ 631,367	\$ 513,895

Commissioner of Public Safety AU 191

FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
2	Commissioner	1	1	1	80,808	1	83,478	1	66,782
822	Commissioners Assistant II	4	4	4	218,878	3	167,239	3	133,792
824	Executive Assistant	1	1	1	73,653	1	82,445	1	65,956
TOTAL FULL-TIME POSITIONS		6	6	6	\$ 373,339	5	\$ 333,162	5	\$ 266,530

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2001-02	679,686	0	679,686	6.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions					
	(45,066)	0	(45,066)	(1.0)	7% Reduction - Position Reduction
	3,443	0	3,443	0.0	City Hall Security
	(5,984)	0	(5,984)	0.0	Internal Service Funds 7% Reductions
	(603)	0	(603)	0.0	Facilities BOMA Adjustment
	(109)	0	(109)	0.0	HR Reductions (Training Package)
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions					
	(7,197)	0	(7,197)	0.0	Equalization of Commissioners' Offices
	0	(110,275)	(110,275)	0.0	Savings to Planning - Farmers' Market Support
	(55,516)	(110,275)	(165,791)	(1.0)	Total FY 2002-03 Decision Packages
			\$ 513,895	5.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded					
	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

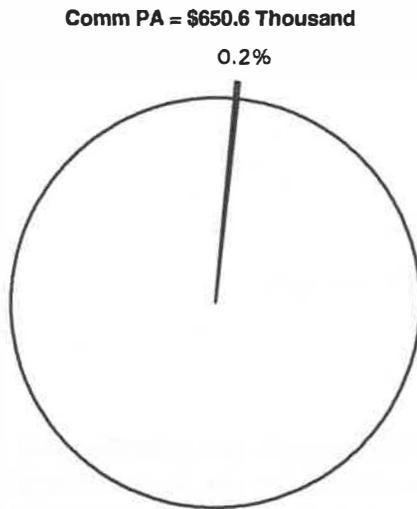


Commissioner of Public Affairs

Legislative, Administrative and Support Services Service Area

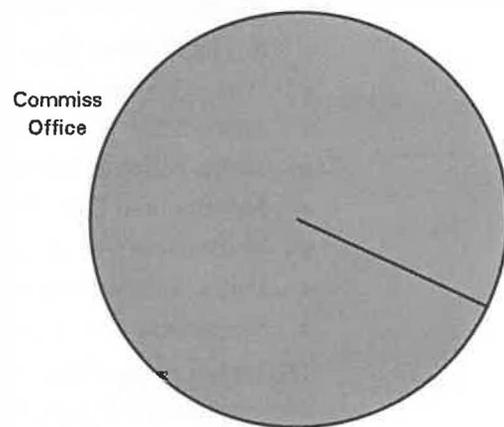
Dan Saltzman, Commissioner-in-Charge

Percent of General Fund



General Fund = \$365.5 Million

Bureau Programs



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	656,425	650,558	-5,867	-6.3%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 656,425	\$ 650,558	\$ -5,867	-6.3%
Authorized Full-Time Positions	7	7	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU OVERVIEW

As a member of the City Council, the Commissioner of Public Affairs is responsible for overseeing various City bureaus. These include:

- ◆ Bureau of Water Works
- ◆ Bureau of Environmental Services
- ◆ Office of Sustainable Development

Commissioner Saltzman also serves as the City's liaison to many organizations. These include:

- ◆ Airport Issues Roundtable
- ◆ Regional Water Consortium Board
- ◆ Water Quality Advisory Committee
- ◆ Metro Solid Waste Advisory Committee
- ◆ Metro Policy Advisory Committee
- ◆ Metropolitan Exposition and Recreation Commission
- ◆ Multnomah County Animal Control
- ◆ Public Safety Coordinating Council
- ◆ Sustainable Development Commission

The Office of the Commissioner of Public Affairs provides policy development and administration services. These functions are combined into one program which includes all personnel and material resources to fulfill the policy, legislative, and bureau management responsibilities of the Commissioner as outlined in Chapter 2 of the Portland City Charter.

SUMMARY OF BUDGET DECISIONS

The FY 2002-03 Adopted Budget includes the following adjustments:

- ◆ Staff will be required to take a two-day furlough during the last two pay periods in December. This will impact personnel services in both salaries and PERS payments.
- ◆ The office has decreased its professional services budget because of having in-house expertise and a more experienced staff.
- ◆ Funds for out-of-town travel were eliminated entirely. Out-of-town travel will be limited to those trips where all expenses are paid in full by the requesting agency.
- ◆ Additional reductions were taken in the categories of office and operating supplies, minor equipment, and other commodities. Reductions in these categories will curtail the purchase of software and hardware upgrades and reduce the purchase of supplies and minor equipment.
- ◆ Interagency agreements were reduced to help provide savings to the General Fund.
- ◆ Funds were added to the office to equalize the commissioners' offices.

Strategic Direction

MAJOR INITIATIVES

Commissioner Dan Saltzman is responsible for overseeing the Bureau of Environmental Services, the Bureau of Water Works, and the Office of Sustainable Development.

Commissioner Saltzman's priorities include:

- ◆ Leading the way toward a more sustainable environment through the Green Building Initiative and, in partnership with the Portland Development Commission, fostering economic development featuring growth of a local sustainable industries sector.
- ◆ Ensuring the safe delivery of high quality drinking water to the Portland Metropolitan Region.
- ◆ Working with the Office of Sustainable Development on strategies to meet and exceed the 60% recycling goal in Portland.
- ◆ Providing the most comprehensive and efficient emergency preparedness system for the safety of our citizens.
- ◆ Enacting reforms to reduce the cost of government.
- ◆ Increasing City investment in early childhood development, after school activities, child abuse prevention, and intervention programs.
- ◆ Implementing the Clean River Plan and combined sewage overflow projects to restore the health of the Willamette River watershed.

MANAGEMENT GOALS & OBJECTIVES

To meet the stated priorities of his office, Commissioner Saltzman has defined the following goals and specific strategies:

Investment in Early Childhood Development

GOAL: Increasing City investment in early childhood development, after school activities, child abuse prevention, and intervention programs.

The strategies toward this goal include to:

- ◆ Work for the creation of a Children's Investment Fund to enhance the delivery of proven programs designed to reduce child abuse, improve early childhood learning, and increase the availability of child care and after-school alternatives.
- ◆ Continue to work with Multnomah County on the construction and establishment of the Child Abuse Receiving Center.

Decreasing the Cost of Government

GOAL: Enacting reforms to reduce the cost of government.

The strategies toward this goal include to:

- ◆ Continue successful consolidation of City and County Information and Referral services.
- ◆ Work toward providing fiber optic infrastructure using sewers as conduits to enhance the City's existing system and to explore possible opportunities for revenue generation.

Improving Willamette River Health

GOAL: Implementing the Clean River Plan and combined sewage overflow projects to restore the health of the Willamette River watershed.

The strategies toward this goal include to:

- ◆ Work with the Bureau of Environmental Services to begin phase one construction of the SW Parallel Interceptor.
- ◆ Continue administration of preconstruction and construction contracts for the West Side combined sewage overflow tunnel, shafts, and pump station with prime contractors.
- ◆ Work with the Bureau of Environmental Services to design outreach plans to involve Portland citizens and the business community in the planning and execution of the Combined Sewage Overflow program and Watershed Planning.
- ◆ Collaborate with Mayor Katz, Commissioner Sten, and applicable bureaus to develop a complete River Renaissance program.
- ◆ Oversee the completion of the three remaining watershed plans.
- ◆ Continue the Willamette Stormwater Control program, which provides financial and technical assistance for projects that control stormwater run off from commercial, industrial, and institutional properties.
- ◆ Coordinate with federal, state, and private entities in examining funding for early restoration projects in response to Superfund requirements.
- ◆ Work with the Bureau of Environmental Services to keep operating and capital costs at a reasonable level and to mitigate the costs to Portland's ratepayers.

Comprehensive Public Safety Services

GOAL: Providing the most comprehensive and efficient emergency preparedness system for the safety of our citizens.

The strategy for this goal is to continue to give focus, attention, and priority to the Emergency Preparedness Council's work and requests.

Sustainable Environment

GOAL: Leading the way toward a more sustainable environment through the Green Building Initiative and, in partnership with the Portland Development Commission, fostering economic development featuring growth of a local sustainable industries sector.

The strategies toward this goal include to:

- ◆ Oversee the development of a resource for tenant improvement projects to make them as energy and resource efficient as possible.
- ◆ Participate with Mayor Katz and Commissioner Sten in working on a committee focused on sustainable industry development as part of PDC's economic development plan.
- ◆ Administer the grant program with the Office of Sustainable Development to foster high performance design and construction achieving maximum comfort for occupants, meeting the highest energy efficiency standards, and using environmentally safe, recycled, and low impact materials.

GOAL: Working with the Office of Sustainable Development on strategies to meet and exceed the 60% recycling goal in Portland.

The strategies toward this goal include to:

- ◆ Work with Metro to locate a food composting facility near the metropolitan area.
- ◆ Oversee the initiation of a pilot project with Metro and the Solid Waste and Recycling Division to work with copier maintenance and service staff to increase duplexing and the use of recycled paper while providing businesses a method for measuring the amount of paper saved as a result.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	474,301	443,342	512,919	530,634	530,634
External Materials and Services	23,884	17,769	32,595	13,586	16,791
Internal Materials and Services	85,739	97,486	110,911	103,133	103,133
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	583,924	558,597	656,425	647,353	650,558
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 583,924	\$ 558,597	\$ 656,425	\$ 647,353	\$ 650,558
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	583,924	558,597	656,425	647,353	650,558
RESOURCES					
General Fund Discretionary	248,844	212,371	309,164	301,833	281,787
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	0	26,389	26,389
Program Revenue	0	0	0	0	0
Overhead Recovery	335,080	346,226	347,261	319,131	342,382
Total Non-Discretionary Revenues	335,080	346,226	347,261	345,520	368,771
TOTAL GENERAL FUND RESOURCES	583,924	\$ 558,597	\$ 656,425	\$ 647,353	\$ 650,558
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
PROGRAMS					
Commissioner's Office	583,924	558,597	656,425	647,353	650,558
Positions	7	7	7	7	7
TOTAL PROGRAMS	\$ 583,924	\$ 558,597	\$ 656,425	\$ 647,353	\$ 650,558
Positions	7	7	7	7	7
<i>General Fund Discretionary Positions</i>	3	3	3	3	3

Commissioner of Public Affairs AU 192

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	291,131	278,621	343,458	353,721	353,721
512000 Part-Time Employees	31,842	19,806	43,000	56,655	56,655
515000 Premium Pay	0	188	0	0	0
517000 Benefits	118,953	107,477	126,461	120,258	120,258
518000 Paid Absence	32,375	37,250	0	0	0
Total Personnel Services	474,301	443,342	512,919	530,634	530,634
Materials and Services					
External Materials and Services					
521000 Professional Services	12,495	8,401	23,043	0	3,205
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	452	439	469	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	90	15	0	35	35
531000 Office Supplies	2,487	1,621	2,065	1,171	1,171
532000 Operating Supplies	1,755	2,610	1,923	1,505	1,505
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	0	0	2,567	2,567
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	4,019	2,386	2,162	2,357	2,357
541000 Education	1,474	2,250	1,995	1,000	1,000
542000 Local Travel	52	47	0	44	44
543000 Out-of-Town Travel	1,060	0	938	0	0
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	0	0	0	4,907	4,907
Total External Materials and Services	23,884	17,769	32,595	13,586	16,791
Internal Materials and Services					
551000 Fleet Services	275	332	309	309	309
552000 Printing & Distribution	6,826	4,531	5,800	6,321	6,321
553000 Facilities Services	50,391	51,297	53,505	55,343	55,343
554000 Communications Services	10,047	8,887	9,664	9,548	9,548
555000 Data Processing Services	6,730	19,067	20,505	14,833	14,833
556000 Insurance	11,470	13,372	13,121	11,707	11,707
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	8,007	5,072	5,072
559000 Other Fund Services	0	0	0	0	0
Total Internal Materials and Services	85,739	97,486	110,911	103,133	103,133
Total Materials and Services	109,623	115,255	143,506	116,719	119,924
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 583,924	\$ 558,597	\$ 656,425	\$ 647,353	\$ 650,558

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FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
230	Administrative Secretary	1	0	1	36,000	1	36,902	1	36,902
2	Commissioner	1	1	1	80,808	1	82,838	1	82,838
821	Commissioners Assistant I	0	1	1	43,000	1	44,072	1	44,072
822	Commissioners Assistant II	2	1	0	0	1	60,533	1	60,533
823	Commissioners Assistant III	1	1	1	63,128	0	0	0	0
824	Executive Assistant	1	1	1	61,402	1	64,750	1	64,750
900	Staff Assistant	1	2	2	59,120	2	64,626	2	64,626
TOTAL FULL-TIME POSITIONS		7	7	7	\$ 343,458	7	\$ 353,721	7	\$ 353,721

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

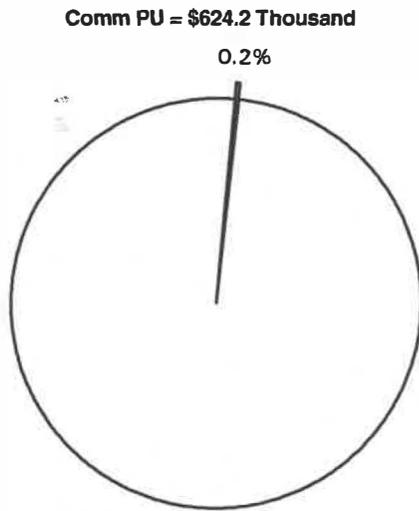
ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	673,647	0	673,647	7.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(49,616)	0	(49,616)	0.0	7% Reduction - M&S Reductions & Furlough
	3,691	0	3,691	0.0	City Hall Security
	(5,988)	0	(5,988)	0.0	Internal Service Funds 7% Reductions
	(645)	0	(645)	0.0	Facilities BOMA Adjustment
	(125)	0	(125)	0.0	HR Reductions (Training Package)
	0	26,389	26,389	0.0	Interagency with BES for Citizen Outreach
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	3,205	0	3,205	0.0	Equalization of Commissioners' Offices
	(49,478)	26,389	(23,089)	0.0	Total FY 2002-03 Decision Packages
			\$ 650,558	7.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded

Commissioner of Public Utilities

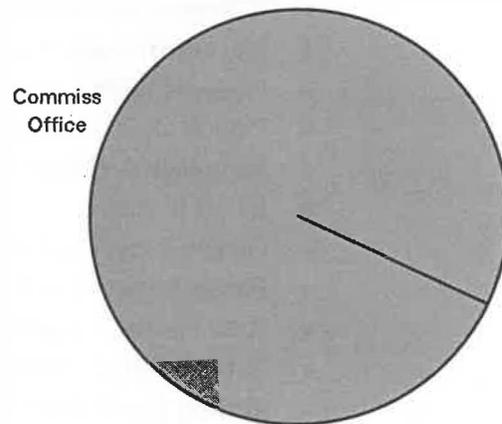
Legislative, Administrative and Support Services Service Area

Jim Francesconi, Commissioner-in-Charge

Percent of General Fund



Bureau Programs



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	662,365	624,170	-38,195	-10.9%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 662,365	\$ 624,170	\$ -38,195	-10.9%
Authorized Full-Time Positions	7	7	0	-5.5%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU OVERVIEW

The Commissioner of Public Utilities is responsible for overseeing several City bureaus. These include:

- ◆ Bureau of Parks and Recreation
- ◆ Office of Transportation
- ◆ Office of Neighborhood Involvement
- ◆ Bureau of Licenses

The Commissioner also serves as the City's liaison to several organizations. These include:

- ◆ Business License Board of Appeals
- ◆ Mayor's Business Roundtable
- ◆ Pioneer Courthouse Square
- ◆ Pittock Mansion Advisory Committee
- ◆ Metropolitan Human Rights Center
- ◆ Elders in Action
- ◆ Oregon League of Cities
- ◆ Portland Street Car, Inc.
- ◆ Rose Festival Association
- ◆ Taxicab Board of Review
- ◆ Towing Board of Review
- ◆ Urban Forestry Commission
- ◆ PDC Small Business Advocate

SUMMARY OF BUDGET DECISIONS

The Adopted Budget results in reduction of approximately .50 FTE and a reduction of about \$17,000 in External Materials and Services. In addition, interagency agreements were reduced to help provide savings to the General Fund, and \$3,616 was added to help equalize the appropriation of all the commissioners' offices.

Strategic Direction

MANAGEMENT GOALS & OBJECTIVES

Commissioner Francesconi's goals reflect his lifelong concern for children and families and include support of schools, parks, open space and economic vitality. That is what makes great neighborhoods and a great city. The commissioner has the following goals:

Portland Schools

Build Partnerships with the Schools

The objectives for this goal include to:

- ◆ Continue support of 11 SUN Schools which offer after-school and evening activities for more than 5,000 children and their parents.
- ◆ Expand the SUN Schools program into additional schools with the greatest need.
- ◆ Continue to convince employers to adopt schools and offer endowment funds, volunteers and mentors, and service learning opportunities.
- ◆ Find additional ways to support the schools through new and innovative partnerships.

Parks and Public Spaces

Create More Parks, Natural Areas, and Exciting Public Spaces

This includes efforts to:

- ◆ Work with the Parks Board and non-profit Parks Foundation to incrementally implement the Parks 2020 vision.
- ◆ Provide affordable, quality recreational opportunities in all our neighborhoods, especially for youth, seniors, and low income families.
- ◆ With revenue from the Parks systems development charge and assistance from the non-profit Parks Foundation, purchase parks and natural areas, especially in neighborhoods that are park deficient and are facing growth.
- ◆ With the assistance of Metro, make additional key connections on the Willamette Greenway Trail.

Economic Vitality

Maintain Economic Vitality for the City

The objectives for this goal include to:

- ◆ Continue efforts to strengthen Portland State University, especially in the areas of engineering and fine arts, and make it a world class school.
- ◆ Assist the Oregon Health Sciences University with their efforts to increase the biosciences contribution to our local economy.
- ◆ Continue strengthening neighborhood business districts.
- ◆ Continue small business workshops to help new and minority business owners connect with financial resources and gain valuable information about business practices.
- ◆ Working with the Bureau of Licenses, the Portland Development Commission, and the Office of the Mayor, ensure that small and minority business interests are included in the City's economic strategies.
- ◆ Continue to maintain the downtown area as one of the cleanest cities in the country.
- ◆ Continue transportation planning effort to maximize the capacity of the I-5 trade corridor.

Efficient City Management

Improve City Management

This includes efforts to:

- ◆ Work to make City bureaus more efficient.
- ◆ Monitor management improvements resulting from the Bureau of Parks and Recreation's performance audit to ensure that the efficiencies gained continue.
- ◆ Ensure the highest quality emergency response by the Fire Bureau while continuing to identify cost savings.
- ◆ Monitor implementation of the Major Policy Review resolution.

Transportation

Improve Transportation

This includes efforts to:

- ◆ Reduce traffic accidents through the photo enforcement of red-light violations.
- ◆ Implement the NE Alberta streetscape improvements to support neighborhood retail development.
- ◆ Construct neighborhood street and traffic calming projects in the Lents Neighborhood.
- ◆ Replace the weight-limited Bybee Blvd over-crossing over McLoughlin Blvd (US 99E).
- ◆ Support the addition of 800 housing units by being a partner in the Hope VI (Columbia Villa) project.

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	507,726	509,627	517,529	496,925	500,541
External Materials and Services	27,441	17,721	29,015	13,764	13,764
Internal Materials and Services	94,115	106,444	115,821	109,865	109,865
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	629,282	633,792	662,365	620,554	624,170
Capital Improvements	0	0	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 629,282	\$ 633,792	\$ 662,365	\$ 620,554	\$ 624,170
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	629,282	633,792	662,365	620,554	624,170
RESOURCES					
General Fund Discretionary	294,202	287,566	315,340	301,698	281,682
Non-Discretionary Revenues					
Grants & Donations	0	0	0	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	0	0	0	0	0
Program Revenue	0	0	0	0	0
Overhead Recovery	335,080	346,226	347,025	318,856	342,488
Total Non-Discretionary Revenues	335,080	346,226	347,025	318,856	342,488
TOTAL GENERAL FUND RESOURCES	629,282	\$ 633,792	\$ 662,365	\$ 620,554	\$ 624,170
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
PROGRAMS					
Commissioner's Office	629,282	633,792	662,365	620,554	624,170
<i>Positions</i>	<i>7</i>	<i>7</i>	<i>7</i>	<i>7</i>	<i>7</i>
TOTAL PROGRAMS	\$ 629,282	\$ 633,792	\$ 662,365	\$ 620,554	\$ 624,170
<i>Positions</i>	<i>7</i>	<i>7</i>	<i>7</i>	<i>7</i>	<i>7</i>
<i>General Fund Discretionary Positions</i>	<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	337,483	328,360	373,423	364,262	364,262
512000 Part-Time Employees	0	12,933	10,020	0	0
517000 Benefits	127,941	129,664	134,086	132,663	136,279
518000 Paid Absence	42,302	38,670	0	0	0
Total Personnel Services	507,726	509,627	517,529	496,925	500,541
Materials and Services					
External Materials and Services					
521000 Professional Services	15,379	2,665	12,421	2,665	2,665
522000 Utilities	0	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	135	1,660	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	275	202	1,031	100	100
531000 Office Supplies	3,903	5,850	3,037	3,889	3,889
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	1,349	1,412	1,424	1,424
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	606	336	1,083	1,456	1,456
541000 Education	1,217	1,355	1,204	1,688	1,688
542000 Local Travel	1,362	1,998	1,608	0	0
543000 Out-of-Town Travel	2,661	859	2,670	2,542	2,542
544000 Space Rental	0	0	0	0	0
545000 Interest	0	0	0	0	0
546000 Refunds	0	0	0	0	0
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	2,038	2,972	2,889	0	0
Total External Materials and Services	27,441	17,721	29,015	13,764	13,764
Internal Materials and Services					
551000 Fleet Services	0	0	0	0	0
552000 Printing & Distribution	13,500	10,910	9,746	11,561	11,561
553000 Facilities Services	50,523	52,301	53,205	54,965	54,965
554000 Communications Services	9,954	9,726	10,249	9,969	9,969
555000 Data Processing Services	7,263	19,836	21,171	15,481	15,481
556000 Insurance	11,315	11,991	11,763	12,817	12,817
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	0	0	8,007	5,072	5,072
559000 Other Fund Services	1,560	1,680	1,680	0	0
Total Internal Materials and Services	94,115	106,444	115,821	109,865	109,865
Total Materials and Services	121,556	124,165	144,836	123,629	123,629
Capital Outlay					
561000 Land	0	0	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	0	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 629,282	\$ 633,792	\$ 662,365	\$ 620,554	\$ 624,170

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FULL-TIME POSITIONS

Class	Title	Actual FY 2000	Actual FY 2001	Revised FY 2001-02		Proposed FY 2002-03		Adopted FY 2002-03	
		No.	No.	No.	Amount	No.	Amount	No.	Amount
2	Commissioner	1	1	1	80,808	1	83,478	1	83,478
821	Commissioners Assistant I	5	2	3	139,069	3	126,421	3	126,421
822	Commissioners Assistant II	0	1	1	52,686	1	54,413	1	54,413
823	Commissioners Assistant III	0	1	0	0	0	0	0	0
7452	Community Service Aide II	0	1	1	30,306	1	27,079	1	27,079
824	Executive Assistant	1	1	1	70,554	1	72,871	1	72,871
TOTAL FULL-TIME POSITIONS		7	7	7	\$ 373,423	7	\$ 364,262	7	\$ 364,262

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	673,269	0	673,269	7.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments	0	0	0	0.0	None
Mayor's Proposed Budget Decisions	(49,588)	0	(49,588)	0.0	7% Reductions - M&S and Furlough
	3,681	0	3,681	0.0	City Hall Security
	(6,039)	0	(6,039)	0.0	Internal Service Funds 7% Reductions
	(644)	0	(644)	0.0	Facilities BOMA Adjustment
	(125)	0	(125)	0.0	HR Reductions (Training Package)
Approved Budget Additions and Reductions	0	0	0	0.0	None
Adopted Budget Additions and Reductions	3,616	0	3,616	0.0	Equalization of Commissioners' Offices
	(49,099)	0	(49,099)	0.0	Total FY 2002-03 Decision Packages
			\$ 624,170	7.0	Total Adopted Budget
FY 2002-03 Decision Packages Not Funded	0	0	0	0.0	None
			\$ 0	0.0	Total Decision Packages Not Funded



Special Appropriations

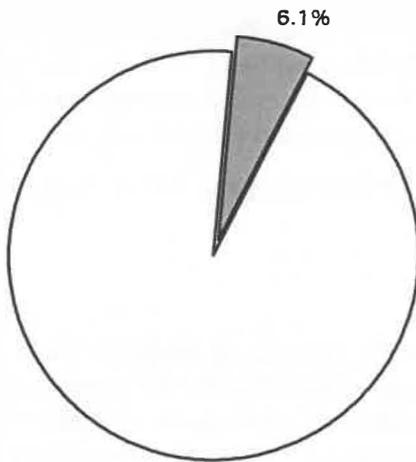
Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

Timothy Grewe, Chief Administrative Officer

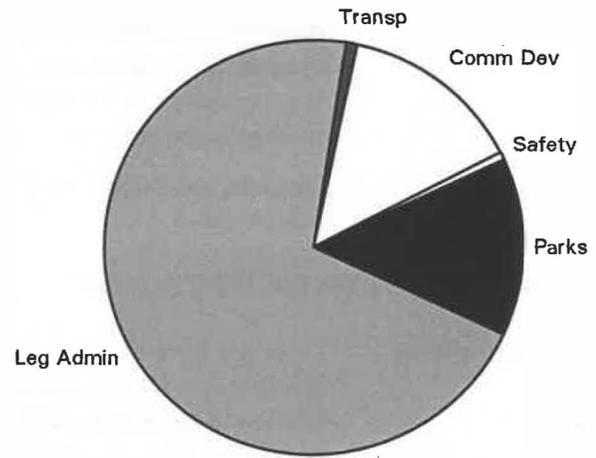
Percent of General Fund

Special Approp = \$22.2 Million



General Fund = \$365.5 Million

Bureau Divisions



Bureau Overview

Expenditures in Millions	Revised FY 2001-02	Adopted FY 2002-03	Change from Prior Year	Per Capita Change
Operating	20,682,402	22,203,618	1,521,216	1.5%
Capital	0	0	0	0.0%
Allocated Overhead Costs	0	0	0	0.0%
Total Cost with Allocated Overhead	\$ 20,682,402	\$ 22,203,618	\$ 1,521,216	1.5%
Authorized Full-Time Positions	0	0	0	0.0%

Note: Per capita change values are adjusted for inflation and population growth.

Bureau Summary

BUREAU OVERVIEW

Special appropriations support programs that provide Citywide benefits

Special Appropriations are primarily used for General Fund expenditures on services or projects which are not specific to a bureau and which provide Citywide benefit. These include payments to non-City agencies, funding for City programs, and some City set-asides. Some Special Appropriations are one-time allocations, while others are ongoing.

From time to time, ongoing Special Appropriations are moved from this organizational unit and incorporated into the budget of the respective managing City bureau. In such cases, expenditures will be shown here as \$0, but will be reflected in the appropriate bureau's budget.

HIGHLIGHTS OF PROGRAMS AND SERVICES

General Fund discretionary resources are limited

The primary source for Special Appropriations is General Fund discretionary funding. Because of the weakened condition of the City's General Fund, resources for Special Appropriations in FY 2002-03 are extremely limited. Overhead cost recovery and interagency revenue from other City bureaus are additional funding sources.

The Adopted Budget for FY 2002-03 budget for Special Appropriations is approximately \$22.2 million.

SUMMARY OF BUDGET DECISIONS

New Appropriations

There are three new special appropriations for FY 2002-03, all funded on a one-time basis. One is a Special Election appropriation which provides \$200,000 for expenses related to an election to be held in the Fall of 2002 to select a new Commissioner of Public Safety, a seat vacated by the early departure of Commissioner Charlie Hales. The second new appropriation funds the City's contribution to Multnomah County for the Children's Receiving Center to be built in Gateway. This allocation had previously been budgeted as part of the City's capital set aside and is being moved into AU 401, Special Appropriations in order to expend the funds. The third new special appropriation provides \$125,000 to support a professional development fund for employees represented by the City of Portland Planning and Engineering Employees Association (COPPEEA).

Discontinued Appropriations

Four special appropriations have been closed out, either because the original term has expired or due to the need to eliminate programs to match the lower projected revenues.

Regional Drug Initiative \$29,699

Oregon Historical Society \$36,407

Employee Suggestions Program \$6,673

Waterfront Development Activities \$500,902

Cuts to Existing Appropriations

To achieve an overall reduction in expenditures in this organizational unit, 7% cuts were applied to most of the special appropriations that represent discretionary expenditures. Special appropriations were not reduced for most of the economic development programs of the Portland Development Commission, in exchange for the elimination of one special appropriation which provided City funds to PDC's Waterfront Development Activities

Carryover

The unspent balance of one special appropriation (IRS rebate) will be carried from FY 2001-02 to FY 2002-03. The funds will be added to General Fund contingency and made available via the Fall 2002 budget monitoring process, if sufficient funds exist at the time.

Strategic Direction

SIGNIFICANT ISSUES

Regional Arts and Culture Council

The Special Appropriations for the Regional Arts and Culture Council (RACC) supports RACC's base budget as well as one-time allocations for specific arts organizations and arts-related programs. For FY 2002-03, the City will provide \$2,004,207 in ongoing resources for RACC's base budget and \$375,000 in one-time resources.

Early Childhood Development

In August 2000, via resolution #35914, the City Council stated its intention to commit \$1 million annually in support of early childhood development efforts as a complement to infrastructure developments in urban renewal areas. Initially funded at \$1 million in FY 2001-02, the appropriation was reduced in the Fall budget monitoring process by \$80,000 for a revised total of \$920,000. The FY 2002-03 Adopted Budget amount for Early Childhood Development is \$940,550. It should be noted that Council changed the funding from ongoing to one-time resources. This decision was made in light of a Children's Levy that will be voted on in the Fall 2002 election. If passed, the levy could fund the activities currently being supported by this special appropriation. If the levy fails, the Early Childhood Development program funding will end June 30, 2003.

Gateway Children's Receiving Center

In June 2001, City Council passed ordinance #175699 approving the Gateway Regional Center urban renewal plan. As part of that action, Council authorized \$1 million in expenditures in FY 2002-03 to Multnomah County in support of the development of a children's receiving center in the Gateway district. These funds were originally incorporated as part of the City's capital set aside. In order to expend the resources in FY 2002-03, they must be transferred into a special appropriation.

Overview of Programs

PUBLIC SAFETY SERVICE AREA

Pioneer Square Security**Center Code 40112001**

This special appropriation funds enhanced security at Pioneer Courthouse Square. These resources augment funds provided for Pioneer Square in another special appropriation, Downtown Services.

Public Safety Coordinating Council**Center Code 40105030**

This special appropriation funds a local group that plans for the use of State and local resources to serve local offenders and coordinates local criminal justice policy across jurisdictions.

Regional Drug Initiative - Federal Grant**Center Codes 40105299 and 40105201**

This special appropriation has been discontinued, as the grant has expired. It was last funded in FY 2001-02. It represented a federal grant that was passed through the City to the Regional Drug Initiative (RDI) as an administrative function. This appropriation was completely offset by federal funds and did not impact General Fund requirements.

Regional Drug Initiative - City**Center Code 40105006**

This special appropriation has been discontinued as the grant expired. It was last funded in FY 2001-02. It was the City's contribution toward the cost of a multi-jurisdictional partnership in the metropolitan area to fight illegal drug activity. The City funds were used for education and community involvement projects that did not qualify for funding under the RDI grant.

PARKS & RECREATION SERVICE AREA

Cultural Tourism**Center Code 40101001**

This special appropriation has been discontinued. It was last funded in FY 1999-00. It provided support for facilities development and remodeling of the Portland Art Museum as part of an initiative to attract significant artistic and cultural events to the city. FY 1999-00 was the last year of a five-year commitment to provide \$200,000 annual General Fund support.

Holiday Festival**Center Code 40105035**

This special appropriation provides funding for a winter holiday festival in downtown Portland.

MERC/PCPA**Center Code 40110036**

Per the recommendation of the City and the Metro Facilities Consolidation Committee, this appropriation supports the Portland Center for Performing Arts' tenant relief, capital maintenance and improvement efforts. The appropriation is part of a larger Visitors Facilities intergovernmental agreement signed by the City of Portland, Multnomah County and Metro regional government.

Oregon Historical Society**Center Code 40101004**

This special appropriation has been discontinued. It was last funded in FY 2000-01. It provided funds in support of various activities of the Oregon Historical Society including the City's use of the OHS library and the Society's planning for the Year 2000 citywide celebration. \$35,000 had been appropriated in the Adopted Budget for FY 2000-01, but the appropriation was eliminated in the Fall 2001 budget monitoring process as part of overall reductions to General Fund-supported programs.

Portland Center Stage**Center Code 40113001**

This special appropriation has been discontinued. It was last funded in FY 2001-02. It provided one-time funding that enabled the Council to support Portland Center Stage.

Regional Arts and Culture Council**Center Code 40101002**

This special appropriation provides funds for the Regional Arts and Culture Council (RACC), an independent non-profit agency. It combines ongoing resources to support RACC's base budget as well as one-time allocations for support to specific arts organizations and arts-related grants match program.

School Surplus Property**Center Code 40105034**

This special appropriation has been discontinued. The final year of funding was FY 1999-00 due to a carryover from the prior year. In FY 1998-99, this special appropriation provided one-time support of \$7.0 million to the Portland Public Schools through the purchase of excess school properties which were then added to the parks system.

COMMUNITY DEVELOPMENT SERVICE AREA**BHCD - Workforce Development****Center Code 40110048**

This special appropriation provides support for information and referral services to connect job seekers in northeast Portland with job training, placement, and social service programs. Particular emphasis is placed on helping clients overcome barriers to employment, such as lack of child care, transportation, or health care.

Block by Block Weatherization**Center Code 40133001**

This program provides attic insulation and installation of effective, low cost energy conservation measures by local contractors to more than 1,300 low-income families per year. This appropriation is primarily grant funded.

Civil Rights Enforcement**Center Code 40103012**

This special appropriation provides funds to support contracts with the Oregon Bureau of Labor and Industry (BOLI) and the Fair Housing Council to coordinate the enforcement of the City's civil rights ordinance. It is managed by BHCD.

Civil Rights Mediation**Center Code 40105031**

This special appropriation has been discontinued. It was last funded in FY 1999-00. It was used to fund services that supported Portland's civil rights ordinance.

Clean and Safe**Center Code 40106001**

This special appropriation funds the City's share of the Downtown Business Improvement District (BID), based on the management of commercial, residential and rental building space in the district. These charges to downtown property managers support guides, marketing strategy, enhanced security, and street-cleaning services downtown.

Downtown Services**Center Code 40115001**

This special appropriation supports services to keep downtown Portland a safe and attractive center for people and businesses. Contracted services include bicycle patrol and public restroom cleaning in the downtown parks, and security for Pioneer Square. It also funds an interagency with the Parks Bureau for flower pots along the transit mall and light rail corridor. This appropriation is separate from and in addition to the Clean and Safe special appropriation.

Early Childhood Development**Center Code 40116001**

This special appropriation provides funding for early childhood development activities in Multnomah County. In FY 2002-03, Council changed the funding of this appropriation from ongoing to one-time resources. Accordingly, funding for this special appropriation is scheduled to end June 30, 2002.

Endangered Species Act (ESA)**Center Code 40110200**

This special appropriation has been discontinued. It was last funded in FY 1999-00. It provided support to General Fund bureaus for their efforts responding to requirements of the Endangered Species Act. The City's ESA program is now in the Bureau of Planning, funded by a General Fund set-aside and interagencies with other bureaus.

Fair Housing of Oregon**Center Code 40103014**

This special appropriation has been transferred into the budget of the Bureau of Housing and Community Development. It was last budgeted as a special appropriation in FY 2001-02. The special appropriation had provided funds for fair housing enforcement.

Oregon Bureau of Labor and Industries**Center Code 40103013**

This special appropriation has been transferred into the Bureau of Housing and Community Development. It was last budgeted as a special appropriation in FY 2000-01. It supported enforcement of the City's civil rights ordinance.

PDC 2040**Center Code 40110026**

This special appropriation has been discontinued. It was last funded in FY 1999-00. It provided funds to the Portland Development Commission (PDC) for the planning of the 2040 Development Implementation.

**PDC - 2040
Development
Implementation****Center Code 40110055**

This special appropriation provides funds to PDC for infrastructure projects that meet the City's 2040 goals (including jobs) and plans for growth.

**PDC - Business
Districts Program****Center Code 40110050**

The Business District program administered by PDC provides technical assistance to local businesses to facilitate the formation and growth of business district associations. These are pass-through funds to the Alliance of Portland Neighborhood Business Associations.

**PDC - Citywide
Business Development****Center Code 40110047**

The Citywide Business Development program of PDC engages in efforts to retain and expand businesses in Portland to create family-wage jobs.

**PDC - Enterprise Zone
Program****Center Code 40110038**

This special appropriation provides funds for PDC's efforts to recruit businesses to locate in the Enterprise Zone in Portland's north/northeast neighborhoods.

**PDC - Regional
Business Development****Center Code 40110054**

PDC's Regional Business Development program engages in efforts to recruit businesses to the metropolitan area to create family-wage jobs. This program also supports business recruitment efforts in Portland. The funds are supplemented by private sector and regional public partner funds.

**PDC - Small Business
Program****Center Code 40114001**

This appropriation supports PDC's new Small Business program which is designed to help small businesses stay healthy, competitive and to expand in the Portland area.

**PDC - Storefront
Improvements****Center Code 40110037**

This special appropriation has been discontinued. It was last funded in FY 2000-01. It funded storefront and facade improvements in designated commercial districts of Portland. PDC continues to operate this program with the remaining balance from previous appropriations and other existing funds.

**PDC - Targeted
Industry Jobs****Center Code 40110051**

The Targeted Industry program provides resources to work with industry clusters to support their growth and expansion in a strategic manner. This program functions as a part of the Citywide Business Development work.

**PDC - Waterfront
Development Activities****Center Code 40110052**

This special appropriation has been discontinued. It was last funded in FY 2001-02. It was a transfer to PDC's Waterfront Development urban renewal fund and supported business, housing and revitalization efforts in the district.

Portland Area Schools**Center Code 40105025**

This special appropriation has been discontinued. It was last funded in FY 1999-00. It was a one-time allocation of General Fund resources for summer school and operational or management efficiencies in Portland area schools.

TRANSPORTATION SERVICE AREA**Employee Transit
Program****Center Code 40108001**

This appropriation funds a program to encourage alternative transit modes for City employees in order to relieve traffic congestion and improve air quality.

LEGISLATIVE & ADMINISTRATION SERVICE AREA**Business License
Refunds****Center Code 40111001**

This special appropriation covers refunds required when businesses overpay business license fees.

**Children's Receiving
Center****Center Code 40119001**

This special appropriation represents a one-time payment to Multnomah County to support the development of a children's receiving center in the Gateway district.

**City Membership and
Dues****Center Code 40105001**

This special appropriation funds the costs related to City's memberships and dues to various organizations to which the City subscribes as a municipality.

**Compensation
Adjustments****Center Code 40110004**

This special appropriation is a set-aside for General Fund adjustments to salaries and benefits for City employees, based on projections of inflation. These funds are distributed as necessary to bureaus during the Spring budget monitoring process each fiscal year.

**COPPEA Professional
Development Fund****Center Code 40118001**

This special appropriation provides resources for a professional development fund for employees represented by the City of Portland Planning and Engineering Employees Association (COPPEEA). This appropriation resulted from the June 2002 settlement of the City's contract with COPPEEA, and will be budgeted for FY 2002-03 and FY 2003-04. City bureaus with COPPEEA employees will transfer to this special appropriation their share of the resources necessary to cover these training expenses.

**Council Emergency
Fund****Center Code 40110006**

This is an annual appropriation for use by the mayor and commissioners as specified by City Charter 2-105a 14, and 2-108.

DCTU Service Improvement

Center Code 40110056

This special appropriation has been discontinued. It was last funded in FY 2001-02 due to carryovers from the prior year. It funded efforts related to the goals and objectives of the Service Improvement Initiative (SII).

DCTU Training

Center Code 40110042

This special appropriation has been discontinued. It was last funded in FY 2001-02 due to carryovers from the prior year. It provided support for training of employees represented by the District Council Trade Union (DCTU).

Employee Suggestion Program

Center Code 40105015

This special appropriation has been discontinued. It was last funded in FY 1999-00. It had been appropriated in the FY 2001-02 Adopted Budget, but was later eliminated as part of the Fall 2001 budget monitoring process. It had provided funds to support to recognize and encourage innovative suggestions from City employees that would save the City money.

Human Resources Transition

Center Code 40110040

This special appropriation has been discontinued. It was last funded in FY 2001-02. It was one-time funding for human resources transition costs related to the Administrative Services Review initiative.

Innovations Loan Fund

Center Code 40105014

This special appropriation has been discontinued. It was last funded in FY 2000-01. It enabled the City to encourage, recognize, and implement innovative and entrepreneurial projects at the bureau level.

IRS Rebate

Center Code 40110031

This special appropriation is established to fund potential arbitrage rebates payments to the Internal Revenue Service and related expenses. It is a carryover from previous years that will be incorporated into the Special Appropriations budget in the Fall budget monitoring process.

Leaders Roundtable

Center Code 40105013

This special appropriation is the City's share of support for an advisory group of community leaders which is convened to coordinate and improve interrelated services.

Management Council

Center Code 40110005

This is an annual appropriation for development activities and meetings of the City's bureau managers.

Qwest Refund

Center Code 40110057

This special appropriation has been discontinued. It was last funded in FY 2000-01. It provided funding for a franchise fee refund to Qwest.

Special Election**Center code 40117001**

This special appropriation provides one-time funds for a special election to be held in the Fall of 2002 to elect a new Commissioner of Public Safety.

Unemployment Insurance**Center Code 40110003**

This special appropriation provides for the General Fund share of the cost of the City's unemployment insurance claims.

Special Appropriations AU 401

SUMMARY OF BUREAU BUDGET

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
EXPENDITURES					
Operating Budget					
Personal Services	8,200	28,725	0	0	0
External Materials and Services	17,063,070	16,844,466	20,460,303	21,998,782	21,982,708
Internal Materials and Services	783,038	181,314	222,099	220,910	220,910
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
Total Operating Budget	17,854,308	17,054,505	20,682,402	22,219,692	22,203,618
Capital Improvements	0	1,883,000	0	0	0
TOTAL BUREAU EXPENDITURES	\$ 17,854,308	\$ 18,937,505	\$ 20,682,402	\$ 22,219,692	\$ 22,203,618
Allocated Overhead	0	0	0	0	0
Total Cost with Allocated Overhead	17,854,308	18,937,505	20,682,402	22,219,692	22,203,618
RESOURCES					
General Fund Discretionary	17,303,644	18,554,965	20,428,896	22,088,067	20,949,165
Non-Discretionary Revenues					
Grants & Donations	176,003	57,880	134,713	0	0
Contract Revenues	0	0	0	0	0
Interagency Revenues	55,000	65,000	0	0	1,110,782
Program Revenue	0	0	0	0	0
Overhead Recovery	319,661	259,660	118,793	131,625	143,671
Total Non-Discretionary Revenues	550,664	382,540	253,506	131,625	1,254,453
TOTAL GENERAL FUND RESOURCES	17,854,308	\$ 18,937,505	\$ 20,682,402	\$ 22,219,692	\$ 22,203,618
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Non-Discretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
DIVISIONS					
Public Safety Service Area	203,712	85,733	282,032	177,567	177,567
<i>Positions</i>	0	0	0	0	0
Parks & Recreation Service Area	3,523,473	4,992,543	3,313,515	2,800,707	3,056,689
<i>Positions</i>	0	0	0	0	0
Community Development Service Area	8,822,811	3,588,493	3,766,994	4,138,688	4,138,688
<i>Positions</i>	0	0	0	0	0
Transportation Service Area	140,183	125,292	144,133	139,432	139,432
<i>Positions</i>	0	0	0	0	0
Legislative & Administration Service	5,164,129	10,145,444	13,175,728	14,963,298	14,691,242
<i>Positions</i>	0	0	0	0	0
TOTAL DIVISIONS	\$ 17,854,308	\$ 18,937,505	\$ 20,682,402	\$ 22,219,692	\$ 22,203,618
<i>Positions</i>	0	0	0	0	0
<i>General Fund Discretionary Positions</i>	0	0	0	0	0

Special Appropriations AU 401

BUREAU PROGRAMS BY DIVISION

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
PUBLIC SAFETY SERVICE AREA					
Pioneer Square Security	0	0	90,000	149,737	149,737
<i>Positions</i>	0	0	0	0	0
Public Safety Coordinating Council	0	0	28,768	27,830	27,830
<i>Positions</i>	0	0	0	0	0
Regional Drug Initiative - Federal Grant	176,002	57,880	134,713	0	0
<i>Positions</i>	0	0	0	0	0
Regional Drug Initiative-City	27,710	27,853	28,551	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 203,712	\$ 85,733	\$ 282,032	\$ 177,567	\$ 177,567
<i>Positions</i>	0	0	0	0	0
PARKS & RECREATION SERVICE AREA					
Cultural Tourism	200,000	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Holiday Festival	26,850	0	50,000	46,500	46,500
<i>Positions</i>	0	0	0	0	0
MERC/PCPA	600,000	600,000	591,600	600,000	630,982
<i>Positions</i>	0	0	0	0	0
Oregon Historical Society	35,000	35,000	0	0	0
<i>Positions</i>	0	0	0	0	0
Portland Center Stage	0	0	200,000	0	0
<i>Positions</i>	0	0	0	0	0
Regional Arts & Culture Commission	2,661,623	2,474,543	2,471,915	2,154,207	2,379,207
<i>Positions</i>	0	0	0	0	0
Schools Surplus Property	0	1,883,000	0	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 3,523,473	\$ 4,992,543	\$ 3,313,515	\$ 2,800,707	\$ 3,056,689
<i>Positions</i>	0	0	0	0	0
COMMUNITY DEVELOPMENT SERVICE					
BHCD Workforce Development	97,895	96,837	109,045	105,489	105,489
<i>Positions</i>	0	0	0	0	0
Block by Block Weatherization	203,895	195,427	207,617	202,807	202,807
<i>Positions</i>	0	0	0	0	0
Civil Rights Enforcement	0	0	14,828	14,344	14,344
<i>Positions</i>	0	0	0	0	0
Civil Rights Mediation	16,832	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Clean & Safe (BID)	16,246	15,351	18,879	16,439	16,439
<i>Positions</i>	0	0	0	0	0
Downtown Services	823,843	811,186	792,442	775,765	775,765
<i>Positions</i>	0	0	0	0	0
Early Childhood Development	0	0	920,000	940,550	940,550
<i>Positions</i>	0	0	0	0	0
Endangered Species Act	607,514	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Children's Receiving Center	0	0	0	1,000,000	1,000,000
<i>Positions</i>	0	0	0	0	0
Fair Housing of Oregon	11,510	7,673	26,172	0	0
<i>Positions</i>	0	0	0	0	0
Oregon Bureau of Labor and Industries	10,248	17,352	0	0	0
<i>Positions</i>	0	0	0	0	0
PDC 2040	1,043,400	0	0	0	0
<i>Positions</i>	0	0	0	0	0
PDC 2040 Implementation	521,648	1,000,000	345,264	133,377	133,377
<i>Positions</i>	0	0	0	0	0
PDC Business Districts Program	54,015	50,327	51,588	53,662	53,662
<i>Positions</i>	0	0	0	0	0
PDC Citywide Business Development	466,866	457,251	433,702	451,138	451,138
<i>Positions</i>	0	0	0	0	0
PDC Enterprise Zone Program	0	50,000	51,252	53,312	53,312
<i>Positions</i>	0	0	0	0	0
PDC Regional Business Development	100,000	100,523	138,040	143,590	143,590
<i>Positions</i>	0	0	0	0	0

Special Appropriations AU 401

BUREAU PROGRAMS BY DIVISION

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
PROGRAMS					
PDC Small Business Program	0	0	118,909	123,689	123,689
<i>Positions</i>	0	0	0	0	0
PDC Storefront Improvements	0	200,000	0	0	0
<i>Positions</i>	0	0	0	0	0
PDC Targeted Industry Jobs	119,244	116,788	119,713	124,526	124,526
<i>Positions</i>	0	0	0	0	0
PDC Waterfront Dev. Activities	479,657	469,778	419,543	0	0
<i>Positions</i>	0	0	0	0	0
Portland Area Schools	4,249,998	0	0	0	0
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 8,822,811	\$ 3,588,493	\$ 3,766,994	\$ 4,138,688	\$ 4,138,688
<i>Positions</i>	0	0	0	0	0
TRANSPORTATION SERVICE AREA					
Employee Transit Program	140,183	125,292	144,133	139,432	139,432
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 140,183	\$ 125,292	\$ 144,133	\$ 139,432	\$ 139,432
<i>Positions</i>	0	0	0	0	0
LEGISLATIVE & ADMINISTRATION SER-					
Business License Refunds	4,677,665	6,405,377	5,308,768	5,551,863	5,551,863
<i>Positions</i>	0	0	0	0	0
City Membership and Dues	242,779	193,374	189,064	240,172	240,172
<i>Positions</i>	0	0	0	0	0
Compensation Adjustments	0	1,000	6,798,694	8,450,768	8,053,712
<i>Positions</i>	0	0	0	0	0
COPPEEA Professional Development	0	0	0	0	125,000
<i>Positions</i>	0	0	0	0	0
Council Emergency Funds	7,096	0	5,000	5,000	5,000
<i>Positions</i>	0	0	0	0	0
DCTU Service Improvements	0	96,849	135,000	0	0
<i>Positions</i>	0	0	0	0	0
DCTU Training	27,962	162,528	128,465	0	0
<i>Positions</i>	0	0	0	0	0
Employee Suggestion Program	7,267	0	0	0	0
<i>Positions</i>	0	0	0	0	0
Special Election	0	0	0	200,000	200,000
<i>Positions</i>	0	0	0	0	0
HR Transition Costs	8,200	35,425	310,612	0	0
<i>Positions</i>	0	0	0	0	0
Innovations Fund	0	28,400	0	0	0
<i>Positions</i>	0	0	0	0	0
IRS Rebate	0	0	84,100	0	0
<i>Positions</i>	0	0	0	0	0
Leaders Roundtable	10,137	10,190	10,370	10,038	10,038
<i>Positions</i>	0	0	0	0	0
Management Council	0	5	5,655	5,457	5,457
<i>Positions</i>	0	0	0	0	0
Qwest Refund	0	3,067,152	0	0	0
<i>Positions</i>	0	0	0	0	0
Unemployment Insurance	183,023	145,144	200,000	500,000	500,000
<i>Positions</i>	0	0	0	0	0
TOTAL PROGRAMS	\$ 5,164,129	\$ 10,145,444	\$ 13,175,728	\$ 14,963,298	\$ 14,691,242
<i>Positions</i>	0	0	0	0	0

Special Appropriations AU 401

LINE ITEM DETAIL

	Actual FY 1999-00	Actual FY 2000-01	Revised FY 2001-02	Proposed FY 2002-03	Adopted FY 2002-03
Personnel Services					
511000 Full-Time Employees	0	21,268	0	0	0
517000 Benefits	8,200	7,457	0	0	0
Total Personnel Services	8,200	28,725	0	0	0
Materials and Services					
External Materials and Services					
521000 Professional Services	0	70,162	0	0	0
522000 Utilities	3,026	0	0	0	0
523000 Equipment Rental	0	0	0	0	0
524000 Repair & Maintenance Services	0	0	0	0	0
525000 Non-Capital Improvement	0	0	0	0	0
528000 Local Match Payments	0	0	0	0	0
529000 Miscellaneous Services	9,283,015	4,658,125	4,505,074	4,243,423	4,468,423
531000 Office Supplies	4,278	1,616	1,500	0	0
532000 Operating Supplies	0	0	0	0	0
533000 Repair & Maintenance Supplies	0	0	0	0	0
534000 Minor Equipment & Tools	0	9,437	0	0	0
535000 Clothing & Uniforms	0	0	0	0	0
539000 Other Commodities External	0	348	0	0	0
541000 Education	28,858	180,243	129,215	350	125,350
542000 Local Travel	224	0	200	200	200
543000 Out-of-Town Travel	1,899	1,914	0	100	100
544000 Space Rental	5,500	0	0	1,242	1,242
545000 Interest	6,018	14,689	0	0	0
546000 Refunds	4,671,647	6,390,688	5,308,768	5,551,863	5,551,863
547000 Retirement System Payments	0	0	0	0	0
549000 Miscellaneous	3,058,605	5,517,244	10,515,546	12,201,604	11,835,530
Total External Materials and Services	17,063,070	16,844,466	20,460,303	21,998,782	21,982,708
Internal Materials and Services					
551000 Fleet Services	0	0	200	206	206
552000 Printing & Distribution	12,798	15,682	19,708	17,704	17,704
553000 Facilities Services	1,778	1,644	5,880	0	0
554000 Communications Services	0	0	0	0	0
555000 Data Processing Services	25	0	0	0	0
556000 Insurance	0	0	0	0	0
557000 Master Lease	0	0	0	0	0
558000 Same Fund Services	160,923	163,988	196,311	203,000	203,000
559000 Other Fund Services	607,514	0	0	0	0
Total Internal Materials and Services	783,038	181,314	222,099	220,910	220,910
Total Materials and Services	17,846,108	17,025,780	20,682,402	22,219,692	22,203,618
Capital Outlay					
561000 Land	0	1,883,000	0	0	0
562000 Buildings	0	0	0	0	0
563000 Improvements	0	0	0	0	0
564000 Capital Equipment	0	0	0	0	0
565000 Facilities Lease/Purchase	0	0	0	0	0
566000 Equipment Lease/Purchase	0	0	0	0	0
567000 Infrastructure	0	0	0	0	0
568000 Other Capital Expenditure	0	0	0	0	0
569000 Depreciation	0	0	0	0	0
Total Capital Outlay	0	1,883,000	0	0	0
573000 Equipment Cash Transfers	0	0	0	0	0
576000 Minor Equipment Transfers	0	0	0	0	0
TOTAL BUREAU EXPENSES	\$ 17,854,308	\$ 18,937,505	\$ 20,682,402	\$ 22,219,692	\$ 22,203,618

Special Appropriations AU 401

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
FY 2002-03	21,298,984	600,000	21,898,984	0.0	FY 2002-03 Current Service Level Estimate
CSL Adjustments					
	(249,754)	0	(249,754)	0.0	Business License Refunds
	286,784	258,000	544,784	0.0	Compensation Adjustments
	(940,550)	940,550	0	0.0	Early Childhood Development
Mayor's Proposed Budget Decisions Programs					
	(500,902)	0	(500,902)	0.0	Waterfront Development
	(6,673)	0	(6,673)	0.0	Employee Suggestion Program
	(36,407)	0	(36,407)	0.0	Oregon Historical Society
	(29,699)	0	(29,699)	0.0	Regional Drug Initiative
7% Reductions					
	(15,265)	0	(15,265)	0.0	Block by Block Weatherization
	40,000	0	40,000	0.0	City Membership and Dues
	(1,080)	0	(1,080)	0.0	Civil Rights Enforcement
	(3,199)	0	(3,199)	0.0	Clean and Safe
	(58,391)	0	(58,391)	0.0	Downtown Services
	(10,495)	0	(10,495)	0.0	Employee Transit Program
	(3,500)	0	(3,500)	0.0	Holiday Festival
	(794)	0	(794)	0.0	Leaders Roundtable
	(428)	0	(428)	0.0	Management Council
	(2,095)	0	(2,095)	0.0	Public Safety Coord. Council
	(150,084)	0	(150,084)	0.0	Regional Arts and Culture Council
	(7,939)	0	(7,939)	0.0	Workforce Development
New Funding					
	0	150,000	150,000	0.0	RACC - Arts Grant Match
	0	200,000	200,000	0.0	Special Election
	0	1,000,000	1,000,000	0.0	Children's Receiving Center
Adjustments					
	8,400	0	8,400	0.0	MERC
	55,000	0	55,000	0.0	Pioneer Square Security
	0	(200,000)	(200,000)	0.0	RACC - Ballet
	0	(200,000)	(200,000)	0.0	RACC - Opera
	0	(200,000)	(200,000)	0.0	RACC - Arts Stabilization
	(123)	0	(123)	0.0	Council Emergency Funds
	(648)	0	(648)	0.0	Gen Fund Discretionary adjustmt.
Approved Budget Additions and Reductions					
	0	225,000	225,000	0.0	Arts support (one-time)
Adopted Budget Additions and Reductions					
	30,982	0	30,982	0.0	Increase MERC by CPI, per contract.
	0	125,000	125,000	0.0	Create COPPEEA Prof Dev Fund
	0	(258,000)	(258,000)	0.0	Reduce Comp Set-Aside by Parks Mowing
	(139,056)	0	(139,056)	0.0	Reduce Comp Set-Aside by Planning COPPEEA
	(12,046)	0	(12,046)	0.0	Reduce General Fund discretionary
	12,046	0	12,046	0.0	Increase General Fund overhead
	(1,735,916)	2,040,550	304,634	0.0	Total FY 2002-03 Decision Packages
			\$ 22,203,618	0.0	Total Adopted Budget
FY 2002-03 Reduction Packages Not Taken					
	(9,336)	0	(9,336)	0.0	2040 Implementation
	(3,756)	0	(3,756)	0.0	Business Districts
	(31,580)	0	(31,580)	0.0	Citywide Business Development
	(3,732)	0	(3,732)	0.0	Enterprise Zone
	(10,051)	0	(10,051)	0.0	Regional Business Development
	(8,658)	0	(8,658)	0.0	Small Business Program
	(8,717)	0	(8,717)	0.0	Targeted Industry Jobs

Special Appropriations AU 401

BUDGET DECISIONS

This chart shows decisions and adjustments made during the budget process. The chart begins with an estimate of the bureau's Current Service Level (CSL) requirements.

ACTION	AMOUNT			FTE	DECISION
	Ongoing	One-Time	Total Package		
	(14,659)	0	(14,659)	0.0	City Membership and Dues
	(6,632)	0	(6,632)	0.0	Pioneer Square Security
			\$ (97,122)	0.0	Total Reduction Packages Not Taken



Glossary

2040 PLAN: This plan, produced by Metro, the governing body for the Portland metropolitan area, is the planning guide for growth in the region over the next 45 to 50 years.

ACCOUNT: The classification of appropriation by type of expenditure (see Line Item).

ACCOUNTING PERIOD: The fiscal year is divided into 13 accounting periods. Each accounting period includes two bi-weekly payrolls, and is generally four weeks long.

APPROPRIATION: The legal authority to spend funds designated for a specific purpose.

APPROPRIATION UNIT (AU): The level of organizational unit at which the City government legally budgets appropriations within a fund, usually a bureau or office.

BALLOT MEASURE 47: A property tax limitation measure approved by Oregon voters in November of 1996.

BALLOT MEASURE 50: A property tax limitation measure referred by the Oregon Legislature to voters and approved by voters in May of 1997 as a replacement for Measure 47.

BEGINNING BALANCE: Resources less requirements remaining from the previous fiscal year, budgeted in the present year.

BRIDGE FUNDING: Temporary funds from reserves intended to provide for services during a period of transition or downsizing.

BUDGET: The financial, operating, and management plan for the City that establishes annual appropriations in accordance with State of Oregon Budget Law and allows for the provision of services.

BUDGET CALENDAR: The schedule of major events in the budget process.

BUDGET COMMITTEE: The City Council, sitting as a special committee under Local Budget Law (ORS 294) to review the Mayor's Proposed Budget that votes to appropriate budget.

BUDGET MESSAGE: A written explanation of the budget and the City's financial plan and priorities presented to the Budget Committee (City Council) by the Mayor, a requirement of Local Budget Law, ORS 294.

BUDGET MONITORING PROCESS (BMP): A report submitted by bureaus three times each year, after the end of Accounting Periods 5, 10, and 13. The report compares planned to actual appropriation unit expenditures, revenues, and performance measures.

BUDGET NOTES: A listing of policy or programmatic issues that the Council has determined require further study, analyses, action, or other directive.

BUDGET PHASES: The following are the major phases of the budget process

- **REQUESTED:** The requested appropriation of a bureau as submitted to the Bureau of Financial Planning and the City Council.
- **PROPOSED:** The Mayor's recommended budget as presented to the Budget Committee.
- **APPROVED:** The budget as approved by the Budget Committee and subsequently reviewed and certified by the Multnomah County Tax Supervising and Conservation Commission.
- **ADOPTED:** The budget as passed by ordinance by City Council after certification by the Multnomah County Tax Supervising and Conservation Commission. It is the Adopted Budget from which the City operates during the fiscal year.
- **REVISED BUDGET:** The budget as amended by ordinances adopted by Council, throughout the fiscal year.

BUREAU ADVISORY COMMITTEE (BAC): A committee, specific to a particular bureau, consisting of citizens appointed by the Commissioner-in-Charge to advise the bureau on its budget requests and to make recommendations to Council.

BUREAU ADVISORY COORDINATING COMMITTEE (BACC): Composed of representatives of each of the Bureau Advisory Committees, this committee reviews and advises Council on policy and budget matters for the City as a whole. It additionally serves as a steering committee for the Bureau Advisory Committee process.

BUREAU GOAL: A statement of purpose or policy for a bureau which describes the services provided to meet an identified community need.

CAPITAL BUDGET: The expenditures scheduled for the first year of the Five-Year Capital Improvement Plan and included in the budget.

CAPITAL IMPROVEMENT: An expenditure which adds to the City's fixed assets, has a life expectancy of ten years or more, and required expenditures of more than \$10,000 for personnel, materials and services and equipment, or major equipment with a purchase price of \$50,000 or greater.

CAPITAL REVIEW COMMITTEE (CRC): A committee comprised of representatives from the General Fund bureaus submitting capital budget requests. The committee makes recommendations on capital budget requests.

CAPITAL IMPROVEMENT PLAN (CIP): A multi-year plan approved by the Council listing capital improvement projects, costs and schedules for completion.

CAPITAL OUTLAY: A major expenditure category which includes land purchase, buildings (purchase or construction), improvements other than building (purchase or construction), or equipment and furniture with a unit cost in excess of \$5,000.

CENTRAL CITY STREETCAR: A proposed economic development activity partially funded through a Federal grant to tie north and south downtown together through construction of a streetcar line.

CITY AND NEIGHBORHOOD PLANNING: Regulation of development patterns through permitting and zoning.

COMBINED SEWER OVERFLOW (CSO): Flows from a sewer system that contain both sanitary sewage and storm water that are discharged directly, without treatment, to a receiving waterway during periods of high flows.

CONTINGENCY: An account established for the purpose of meeting unanticipated requirements. Formal Council action is required for transfers from contingency to operating accounts.

CONTRACT: An agreement whereby the City and an individual, legal, or political entity, agree to do certain things. If the City is to provide a service(s) for reimbursement, the bureau to provide the service(s) must indicate the appropriation necessary and identify the source and amount of funds to be received in its budget request. If the City is agreeing to purchase services or a capital asset, the bureau requesting the purchase must have appropriation for the contract and identify the source of funds (e.g., the operating fund, grant, etc.)

COPS PROGRAM: Community Oriented Policing Services. A federal program of the Department of Justice intended to put more police officers on the street.

COMPREHENSIVE ORGANIZATION REVIEW AND EVALUATION (CORE): A process for bureaus based on developing and integrating Strategic Planning, Operational Planning, and Financial Planning, resulting in action plans approved by City Council.

CURRENT SERVICE LEVEL (CSL): The cost of providing the same services in the upcoming fiscal year as the bureau provides in the current year. Based on current year revised budget, less one-time expenditures, plus an inflation factor. The starting point for developing next year's budget.

DISCRETIONARY RESOURCES: Those resources (such as property tax revenues) which may be allocated to various City services at the discretion of Council, as opposed to non-discretionary resources which, by policy or statute, support one service or activity (such as a categorical grant, contract, or bureau specific revenue).

ENCUMBRANCES: Funds which have been set aside for specific projects or services for which a contract or purchase order has been issued. Encumbrances can be carried over from one fiscal year to the next.

EPA: Environmental Protection Agency, which is an agency of the United States Federal Government.

EQUIPMENT: Types of machinery, vehicles, furniture, etc. with a unit cost in excess of \$5,000 and an expected life of one year or more.

EXPENSES:

- **BUREAU EXPENSES:** Requirements from the programs or services provided by the City's bureaus, consisting of personal services, internal and external materials and services, capital outlay, equipment, and cash transfers.
- **FUND EXPENSES:** Financial requirements of a fund for providing programs and services, including operating and capital requirements, and requirements to meet other obligations such as contingencies, debt retirement, and interfund transfers.

EXPENDITURE: The actual outlay of, or obligation to pay, cash. This does not include encumbrances. Expenditures exclude fund level requirements such as contingency and cash transfers.

FINANCIAL OUTLOOK: Report of current information on the General Fund's financial condition used by Council and produced 13 time periods per year.

FINANCIAL PLANNING DIVISION: The Responsibility Unit within the Office of Finance and Administration which plans and administers the budget process for the City. This includes the preparation of instructions, analysis of requests, preparation of the Mayor's Proposed Budget document, and the preparation of the Approved and Adopted Budget documents.

FISCAL YEAR (FY): The twelve-month period beginning July 1 and ending June 30 for which the annual budget of the City is prepared, approved, and adopted.

FPD&R: Fire and Police Disability and Retirement Fund

FTE: Full time equivalent; the equivalent of one full-time position, including positions shared by multiple employees.

FUND: A budgetary and fiscal accounting mechanism for designating a sum of money or other resources set aside for the purpose of providing services and achieving objectives in accordance with state and local laws, regulation, or other limitations. Each fund constitutes an independent budgetary, fiscal and accounting entity.

All appropriation units are within one and only one fund, although a bureau may be responsible for managing more than one fund. In addition to the General Fund, other types of funds include operating, debt service, revenue, construction retirement, working capital, federal grant, and City agency and trust. The definition of purposes, services and other restrictions of City funds are specified in the City Charter or City Code.

- **BONDED DEBT FUNDS:** These funds account for the payment of debt service on general obligation, revenue, assessment improvement, and urban renewal tax increment bonds.

- **CITY AGENCY & TRUST FUNDS:** The City, from time to time, creates accounts for specific purposes which receive revenues such as gifts or bequests to the City. A variety of these small accounts currently exist, such as the Portland Parks Trust Fund.

- **FEDERAL FUNDS:** These funds account for grant revenues received from the Federal Government, such as Community Development Block Grant funds.

- **ENTERPRISE FUNDS:** These funds are used to account for activities which render services on a user fee basis and are expected to pay their own way. Accounts are maintained separately by the City. This enables the City to operate these funds on a separate basis and monitor the revenues and expenses separately. Funds operated on this basis are Hydroelectric, Power, Water, Sewer, Refuse Disposal, Golf, and Parking Facilities.

- **GENERAL FUND:** The General Fund includes all general purpose activities of the City supported by property taxes and other non-dedicated revenues such as license and permit fees and state-shared cigarette and liquor tax, etc. Bureaus supported by the General Fund include the Bureaus of Fire, Rescue and Emergency Services; Police; Parks; Licenses; Purchases and Stores; Planning; Community Development; the Offices of the Mayor and the City Council; Auditor; Finance and Administration; General Services; Attorney; Neighborhood Association; Energy; and Cable.

- **INTERNAL SERVICE FUNDS:** Internal Service funds provide central services such as fleet and printing to other bureaus and agencies. They operate almost solely on revenues received from the agencies using their services.

- **OPERATING FUNDS:** These funds contain the general government activities of the City, the bureaus, and programs that provide services. The most visible, and largest, operating fund is the General Fund, which provides police, fire, parks, and other services. Enterprise funds are specific purpose operating funds, which are self-supporting from user charges and fees. In the City of Portland, water, sewer, and stormwater services are provided by enterprise funds. Other operating funds are established as special revenue funds where revenues collected are dedicated to a specific service or activity. The Transportation Operating Fund is supported mainly by state shared Gas Tax Revenues, which are restricted to the benefit of the motoring public.

- **RESERVE FUNDS:** Reserve funds are established to provide a place for emergency and counter-cyclical reserve monies. Dollars must be transferred from these funds to operating funds in order to be expended. Transfers can only occur under circumstances which are clearly specified when the fund is created. Examples include the General Reserve and Transportation Reserve Funds.

- **RETIREMENT FUNDS:** These are funds for retirement of police and fire personnel. Revenues are received from a property tax levy authorized by Portland voters in 1940.

GENERAL OBLIGATION BONDS: Voter approved bonds backed by the full faith and credit and taxing authority of the City. These bonds are typically paid from a property tax levied upon all taxable property within the City. General Obligation Bonds are used to finance a wide range of capital projects.

GOVERNMENT FINANCE OFFICERS ASSOCIATION DISTINGUISHED BUDGET AWARD: Highest form of recognition in governmental budgeting. Its attainment represents a significant accomplishment by the management, staff, and elected officials of recipients. Budgets are evaluated from effectiveness as a policy document, a financial plan, an operations guide, and as a communication device.

GRANT: "Grant" is a generic term which means donated financial assistance received from either State, Federal, or other third party sources.

- **FEDERAL FINANCIAL ASSISTANCE:** Assistance provided by a Federal agency in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance, or direct appropriation to individuals. It includes awards received directly from Federal agencies, or indirectly through other units of State and local governments.

HOUSING INVESTMENT FUND: A fund established by Council to support the development of affordable housing throughout the City by leveraging private development funding with City General Fund support, Community Development Block Grant (CDBG) resources, and Tax Increment Financing.

IBIS (INTEGRATED BUSINESS INFORMATION SYSTEM): The City's central financial system, including General Ledger, Accounts Payable, Accounts Receivable, Payroll, Budget, and other modules.

INFORMATION TECHNOLOGY STRATEGIC PLAN (ITSP): An effort to improve information technology applications within the City by developing a strategic plan and city-wide policies for the use of information technologies. Information technologies are those tools for the managing, sharing, and storing of information. These include computers, networks, and telecommunications systems.

INTERAGENCY AGREEMENT: An agreement for provision and receipt of services between City bureaus or funds. Their agreement establishes a mutually agreed upon budget amount for anticipated services to be provided and received.

INTERNAL SERVICE BUREAUS: Bureaus which exist to provide services to other City bureaus. These services include Fleet, Communications, Printing/Distribution, and Facilities Management, as well as Risk Management (insurance), and Information Services (computers).

LINE ITEM: A classification of appropriation by type of expenditure. Line Items are detail accounts within Major Object Codes. (See Account or Major Object Code)

LOCAL BUDGET LAW: Oregon Revised Statutes, Chapter 294, prescribes budgeting practices for municipalities within Oregon.

MAJOR OBJECT CODES: Broad categories of expenditures such as Personal Services, External Materials and Services, Internal Materials and Services, Capital Outlay, Capital Cash Transfer, Contingency, etc. (See Account or Line Item)

MAJOR SUPPLEMENTAL BUDGET: The traditional interim budget modification process which must be followed to make changes to the budget that cannot legally be made by ordinary Council action.

The Major Supplemental is required by local budget law when the estimated expenditures in the supplemental budget are more than 10% of the expenditures of the annual budget of the fund being adjusted. A Tax Supervising and Conservation Commission (TSCC) public hearing must be conducted for the Major Supplemental Budget.

MISSION: A statement of an organization's overall purpose.

OBJECTIVE: A desired result of a group of related activities performed by a bureau in which the achievement satisfies part or all of a bureau goal.

OFFICE OF MANAGEMENT AND FINANCE (OMF): The organizational unit that includes many of the City's central administrative functions such as Human Resources, Risk Management, Accounting, Information Services, Treasury, and Debt Management. Included is the Bureau of Financial Planning, which is responsible for planning and administering the budget process.

ONE-TIME EXPENDITURES: These are expenditures for one-time projects or services. After the project or service is completed, expenditures are terminated and are not considered part of normal capital or operating costs.

ORS: Oregon Revised Statutes, the laws of the State of Oregon.

OVERHEAD: An amount assessed, usually at the fund level, to support administrative and other services.

PACKAGE: A group of expenditures which a bureau identifies for a specific service and related activities. The package will provide justification and description of the service, related activities, personnel and dollar requirements that are requested to be added or cut in a budget proposal.

PORTLAND DEVELOPMENT COMMISSION (PDC): The Portland Development Commission is the City of Portland's urban renewal agency responsible for economic development and housing.

PERFORMANCE MEASURE: An indicator which measures the degree of accomplishment of an objective. The major types are as follows

- **BENCHMARK:** A measure of system-wide effectiveness or efficiency. For example the public safety system consists of police, corrections, prosecution, legal defense, adjudication and other related systems. A benchmark should be designed to measure or track the performance of the overall system.

- **EFFECTIVENESS MEASURE:** A qualitative and/or quantitative extent to which the performance of a series of related tasks achieve a desired result or objective the ratio of actual to planned accomplishment of a specific objective.

- **EFFICIENCY MEASURE:** The extent to which the process utilized by an organization to produce goods and/or services minimizes the use of resources. The ratio of a unit of goods and/or services produced to the amount of resources required to produce it.

- **PERFORMANCE OBJECTIVE:** Goals to establish direction for bureau work plans. Performance objectives are intended to better communicate to the public and policy makers what is being accomplished with public dollars, providing accountability.

WORKLOAD MEASURE: A quantity of work performed.

PORTLAND FUTURE FOCUS: The City's community-based strategic planning process to develop a vision of Portland in the year 2000.

PORTLAND/MULTNOMAH PROGRESS BOARD: A community-wide committee responsible for developing the City's community benchmark (see Benchmark).

PORTLAND UTILITIES REVIEW BOARD (PURB): An appointed body of 15 citizens who provide independent and representative customer review of water, sewer, and solid waste financial plans and rates. This board operates in an advisory capacity to the City Council.

PROGRAM: A cluster of activities and projects which seek to accomplish a common specific objective. Within the budget, programs are typically considered to be a subdivision of an Appropriation Unit, or a bureau's, budget.

PROSPEROUS PORTLAND: The City's Economic Development Plan.

PUBLIC FACILITIES PLAN: A support document or documents to the City of Portland's Comprehensive Plan and Capital Improvement Plan. In addition, the facilities plan describes "significant" projects which will support land uses in the City's Comprehensive Plan and other projects listed as short-term (5 years) and long-term (6-20 years) bureau needs. There are two classes of public facilities as follows

- ◆ Significant facilities necessary to support land uses designated in the Comprehensive Plan;
- ◆ All other facilities over \$10,000 projected value, including buildings, structures or equipment incidental to the direct operation of significant facilities listed above.

RECURRING EXPENDITURES: Continuing expenditures which maintain established levels of service (compare to One-Time Expenditures).

REGIONAL WATER SUPPLY PLAN: A long-range plan for the water supply of 28 suppliers in the Greater Portland Area.

REPLACEMENT EQUIPMENT: Equipment purchased to be used in place of existing equipment.

REQUIREMENTS: Appropriations for a fund or bureau. Requirements include budgeted expenditures, contingencies, interfund cash transfers, and set-asides for unanticipated expenses.

RESERVES: Resources set-aside for unanticipated, emergency expenses, downturns in the economy, or other unforeseen needs (see Reserve Funds).

RESOURCES: Revenue and other funding a bureau has or expects to receive. Resources include estimated revenues, beginning fund balances, and internal transfer revenues.

RESPONSIBILITY UNIT (RU): Within the financial system, an organizational or cost accumulation unit below the appropriation unit level, usually a division of a large bureau.

REVENUE: Money received into a fund from outside the fund which, together with beginning fund balances, form the fund resources for a given fiscal year.

RIVER DISTRICT: An area of the City near, and north of, the downtown core, along the Willamette River, targeted for redevelopment in a private/public partnership. The area is expected to contain 5,555 housing units and commercial space after full development.

SERVICE IMPROVEMENT INITIATIVE (SII): A Citywide team established to assist the City bureaus in developing an organizational culture that promotes high performance, excellent customer service, and a workplace that values employees.

SOURCE FUND: A fund transferring dollars to another fund (the "destination fund").

SPECIAL APPROPRIATION: Special Appropriation are used for special projects, programs, fees, etc. that provide Citywide benefit and are not specific to any particular bureau's operating budget.

SERVICE EFFORTS & ACCOMPLISHMENTS REPORT (SEA): A report issued by the Office of the City Auditor that identifies workload and performance trends for each of the City's major service areas.

TAX SUPERVISING & CONSERVATION COMMISSION (TSCC): The State-authorized body which reviews the budgets of all government entities within Multnomah County prior to adoption by their elected officials. TSCC certifies that the budget is in compliance with local budget law.

TECHNOLOGY LEARNING CENTER: A training facility that provides computers connected to the City's networks at each desk. The TLC offers City employees an opportunity to enhance skills in PC software and City-specific information systems.

UTILITY LICENSE FEE: A percentage of utility revenues that are transferred to the City's General Fund as a payment for the use of the public right of way.