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RESOLUTION No. 3 6 8 8 9 As Amended

Accept report of General Fund Overhead Advisory Committee and adopt recommendations (Resolution)

WHEREAS, City Council included the following budget note as part of the FY 2011-12 Adopted Budget:

“Council directs the Office of Management and Finance to update the General Fund Overhead Model. Updates to the model may include adjustments to cost pools, bureau metrics, and allocation methodologies. A report to Council outlining the changes to the model will be delivered to Council during the FY 2011-12 Fall Budget Monitoring Process. Upon receipt of the report, Council may authorize General Fund target adjustments for FY 2012-13 as recommended in the report.”

WHEREAS, the General Fund Overhead Advisory Committee, with the consultation of Financial Planning Division staff, met twice as a body to review model change options and impacts;

WHEREAS, in addition to the Committee reviews, Financial Planning Division staff met with the City’s largest overhead receiving bureaus to review the appropriateness of the current cost allocation methodology;

WHEREAS, City Comprehensive Financial Management Policy 2.08 states, “The cost allocation system shall include a methodology that provides for the stability, predictability and equity of charges – in that order of priority. The primary metrics available to be used for allocating costs are the size of an agency’s budget and the number of full-time equivalent employees.”;

WHEREAS, the Committee recommends changes to the General Fund Overhead Model to achieve these goals;

NOW, THEREFORE, BE IT RESOLVED that the City of Portland hereby accepts the report of the General Fund Overhead Advisory Committee, as included in Exhibit A, and directs the Financial Planning Division to make the recommended changes to the General Fund Overhead Model and Current Appropriation Level Targets included therein, effective immediately and to be used in the FY 2012-13 budget development.

Adopted by the Council: NOV 30 2011

Mayor Sam Adams

Prepared by: Josh Harwood

Date Prepared: November 21, 2011

LaVonne Griffin-Valade

Auditor of the City of Portland

By



Deputy

1286

Agenda No.
RESOLUTION NO.
 Title

36889 As Amended

Accept report of General Fund Overhead Advisory Committee and adopt recommendations (Resolution)

INTRODUCED BY Commissioner/Auditor: Mayor Adams	CLERK USE: DATE FILED <u>NOV 22 2011</u>
COMMISSIONER APPROVAL Mayor—Finance and Administration - Adams	LaVonne Griffin-Valade Auditor of the City of Portland By: <u>Susan Larson</u> Deputy ACTION TAKEN:
Position 1/Utilities - Fritz	
Position 2/Works - Fish	
Position 3/Affairs - Saltzman	
Position 4/Safety - Leonard	
BUREAU APPROVAL Bureau: OMF/BFS Bureau Head: Rich Goward, Jr.	
Prepared by: Josh Harwood Date Prepared: 11/21/11	
Financial Impact & Public Involvement Statement Completed <input checked="" type="checkbox"/> Amends Budget <input type="checkbox"/>	
Portland Policy Document If "Yes" requires City Policy paragraph stated in document. Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
Council Meeting Date 11/30/11	
City Attorney Approval: required for contract, code, easement, franchise, charter, Comp Plan	

AGENDA
TIME CERTAIN <input type="checkbox"/> Start time: _____ Total amount of time needed: _____ (for presentation, testimony and discussion)
CONSENT <input type="checkbox"/>
REGULAR <input checked="" type="checkbox"/> Total amount of time needed: 20 mins. (for presentation, testimony and discussion)

FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS:		
		YEAS	NAYS
1. Fritz	1. Fritz	✓	
2. Fish	2. Fish	✓	
3. Saltzman	3. Saltzman	✓	
4. Leonard	4. Leonard	✓	
Adams	Adams	_____	_____