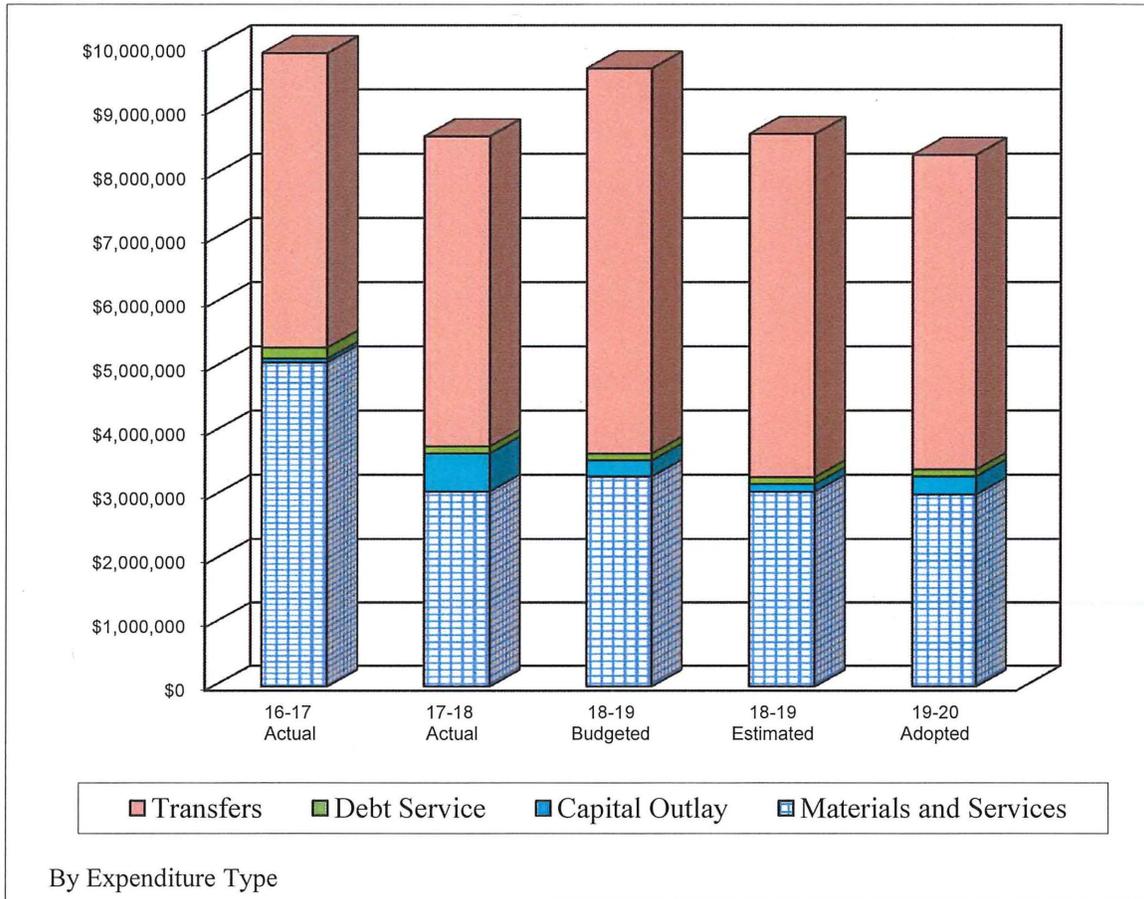


NON-DEPARTMENTAL

- Non-Departmental – General City-wide Operational Costs
- Beaverton Central Plant
- Beaverton Building Management
- Griffith Building Operations

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET

GENERAL FUND
 NON-DEPARTMENTAL
 ADOPTED FY 2019-20



CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
DEPARTMENT HEAD: PATRICK O'CLAIRE	

MISSION STATEMENT:

To provide a cost center for citywide expenditures including general memberships, central telephone and janitorial services, utilities expense and the General Fund's share of allocated expenses for internal services and financial emergencies and provide program accounting for the Beaverton Central Plant's operations. To provide for the management of The Beaverton Round Executive Suites and other privately leased space at The Beaverton Building as well as similar leases at other facilities.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION					
PERSONNEL SERVICES					
MATERIALS & SERVICES	\$5,079,923	\$3,070,372	\$3,303,003	\$3,022,025	\$3,022,025
CAPITAL OUTLAY	61,662	595,865	252,500	284,500	284,500
DEBT SERVICE	170,331	106,692	106,692	106,692	106,692
TRANSFERS	4,583,456	4,829,353	5,996,161	4,148,624	4,898,624
CONTINGENCY	0	0	4,506,704	6,623,574	6,180,072
TOTAL	\$9,895,372	\$8,602,282	\$14,165,060	\$14,185,415	\$14,491,913

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0003 NON-DEPARTMENTAL	DEPARTMENT HEAD: PATRICK O'CLAIRE

Program Goal:

To provide a cost center for citywide expenditures including general memberships, central telephone and janitorial services, utilities expense and the General Fund's share of allocated expenses for internal services. To maintain an operating contingency sufficient to finance economic and financial emergencies, generally equal to 16% of expenditures. Contingency amount is the excess of revenue and resources over expenditure requirements. Refer to the Statement of Financial Policies for the purpose and use of contingency account.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION					
PERSONNEL SERVICES					
MATERIALS & SERVICES	\$2,379,846	\$608,143	\$657,329	\$424,675	\$424,675
CAPITAL OUTLAY	0	26,469	24,500	35,500	35,500
DEBT SERVICE					
TRANSFERS	4,583,456	4,829,353	5,996,161	4,148,624	4,898,624
CONTINGENCY	0	0	4,506,704	6,623,574	6,180,072
TOTAL	\$6,963,302	\$5,463,965	\$11,184,694	\$11,232,373	\$11,538,871

Program Objective (services provided):

The amount budgeted as Materials & Services represents citywide membership fees, telephone, janitorial and utilities expenses.

Performance Measures:	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Projected/Revised	FY 2019-20 Adopted
General Fund Contingency	\$14,540,388	\$14,217,545	\$6,629,422	\$7,697,594
General Fund Contingency as a Percent of General Fund Budgeted Expenditures, target is 16%	22.739%	22.053%	8.246%	9.444%
Non-Departmental Expenditures Per Capita (Less Contingency)	\$103.74	\$89.08	\$84.62	\$77.12
Non-Departmental Expenditures as Percent of City's Total Budget (less contingencies and capital projects)	7.366%	6.053%	4.893%	2.571%

Performance Outcome:

The City's new Fund Balance/Contingency Policy requires maintaining an undesignated contingency amount of at least 17% and provides the City with resources equal to 2 months of the General Fund's operations when measured the at the end of the fiscal year. At the time of budget review and adoption, the target figure is 11% as the final fund balance is only an estimate. This doesn't include the amount reserved from the utility privilege taxes imposed in 2015.

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0003 NON-DEPARTMENTAL	DEPARTMENT HEAD: PATRICK O'CLAIRE

Progress on FY 2018–19 Action Plan:

Note specific actions by building below:

- Account Number 352 Beaverton Activities Center - due to the passage of the Public Safety Center bond measure, tenant leases were terminated and community meetings moved to the Griffith Park Building. An exception was given to CASH-Oregon to provide tax assistance to the community until April 30, 2018. The Activities Center was then demolished to become the site of the new Public Safety Center.
- Account number 386 Community Center – paint the exterior of the entire building.

Managed expenses for each building as applicable. Expenses include janitorial, utilities, maintenance and repair, and improvements.

Other city buildings' costs are accounted for in other programs or funds:

- The Beaverton Building – in Program 0007 in the General Fund
- Griffith Park Building – in Program 0008 in the General Fund
- The Operations Complex - in the Public Works Administration Fund
- The Main and Branch Libraries - in the Library Fund

FY 2019-20 Action Plan:

Proposed projects include:

- Beaverton Activities Center – coordination with contractor and Police Department Project Manager to prepare building for demolition. Recycle and/or dispose of furnishings as appropriate.
- Account Number 354 Harvest Court – no projects proposed
- Account Number 386 Community Center - replace roof and gutters which was under-budgeted in FY 2017-18.
- Start or continue projects identified in the ADA Title II Transition Plan
- Comply with the reporting requirements of new accounting standards for the disclosure of property tax rebates from the Government Standards and Accounting Board (GASB 77)

Continue managing expenses as specified above.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

Program Goal:

To provide reliable, cost-effective district heating and cooling services for space conditioning and hot water services to certain properties located at The Round in downtown Beaverton and to support opportunities to expand Central Plant services to new buildings in the Beaverton Creekside District. The Central Plant supports the Community Development Department's mission to facilitate, promote, and plan for a safe and prosperous community by comprehensively preserving and enhancing development, a healthy economy, and sustainable growth of the city.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
POSITION					
PERSONNEL SERVICES					
MATERIALS & SERVICES	\$524,744	\$517,789	\$594,000	\$617,000	\$617,000
CAPITAL OUTLAY	0	54,950	148,000	249,000	249,000
DEBT SERVICE	170,331	106,692	106,692	106,692	106,692
TRANSFERS					
CONTINGENCY					
TOTAL	\$695,075	\$679,431	\$848,692	\$972,692	\$972,692

Program Objective (services provided):

Project Description

The Beaverton Central Plant (BCP) provides district heating and cooling services for living and commercial spaces to select buildings in the Beaverton Central area, located near the Round Development. The Central Plant currently serves 328,733 square feet and has the capacity to serve one million square feet without expansion. A recent appraisal of the plant estimated a market value of \$3.9 million.

Core Process #1: Manage the Central Plant.

Outcome: to provide efficient Central Plant heating and cooling services to all possible customers

Measured by: the number of customers, the square footage served and connected to the Plant's heating and cooling services, and the cost of those services

Key Indicators: the cost per square foot to provide service to the Plant customers

Progress on FY 2018-19 Action Plan:

- Maintained efficiency levels and condition of the Plant equipment and materials.
- Support ongoing tenant needs
- Started future expansion analysis with The Hartman Co to added the Patricia Reser Center for the Arts to the plant's services
- Complete contracts to assist in any future service potential.
- Promoted efficient services and energy reduction consistent with the City's Sustainability Goals
- Continued to program electronic management system to optimize resource efficiency.
- Installed Distributed Digital Controls for new tenants
- Promoted efficient services and energy reduction consistent with the City's Sustainability Goals

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

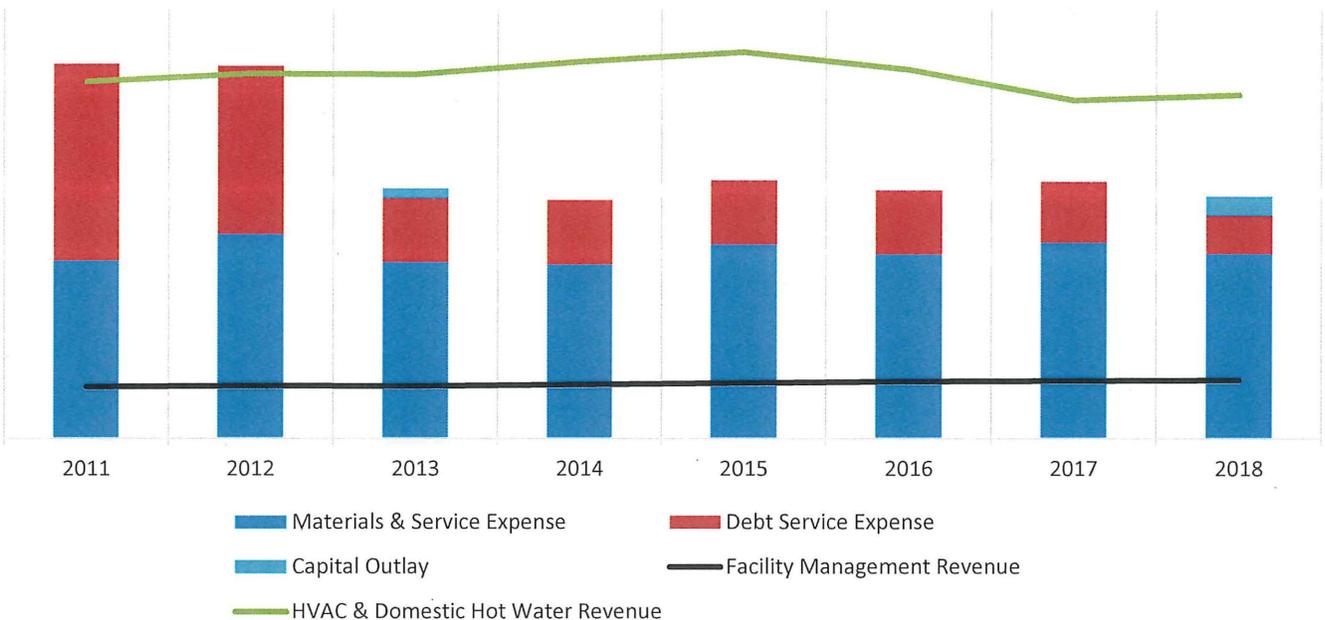
FY 2019-20 Action Plan:

- Maintain efficiency levels and condition of the Plant equipment and materials
- Support ongoing tenant needs
- Leverage The Hartman Co to support future expansion analysis and incentivize connection to the Plant's services
- Promote efficient services and energy reduction consistent with the City's Sustainability Goals
- Continue programming improvements for energy management system optimization
- Begin construction on plant connection to the new Patricia Reser Center for the Arts
- Promote efficient services and energy reduction consistent with the City's Sustainability Goals

Performance Measures:	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budgeted/Revised	FY 2019-20 Adopted
Hold operating expenses at or below budget	Met Objective	Met objective	Met objective	Meet Objective
Cost to operate plant	\$695,075	\$624,481	\$676,692*	\$728,692
Cost per square foot of service	\$2.11	\$1.90	\$2.16/\$2.05	\$2.21
Number of square feet served:				
Commercial	234,401	234,401	234,401	234,401
Residential	<u>94,332</u>	<u>94,332</u>	<u>94,332</u>	<u>94,332</u>
Total	328,733	328,733	328,733	328,733

**Does not include new construction costs for expanding service area.*

Beaverton Central Plant Revenues & Expenditures
FY 2011-2016 Actual
FY 2017-2018 Budget



CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0006 BEAVERTON CENTRAL PLANT	PROGRAM MANAGER: JERRY ALLEN

Performance Outcomes and Program Trends:

The day-to-day plant operations are carried out by a third-party contractor. The City provides contract oversight, financial management, and strategic planning for the Central Plant. The Central Plant will be expanded as needed to meet future project build-out at The Round, as well as adjacent properties in the Beaverton Central area, which may utilize the plant for services. Funds for the extension of the plant to serve the proposed parking garage (retail area) as well as the Patricia Reser Center for the Arts appear in the Capital Outlay portion of the budget.

High-quality maintenance and problem resolution are critical to service customers and are key areas of focus for staff and contractors. The Plant has the capacity to expand by adding additional customers, and with increased heating and cooling loads the plant will become more efficient. The highest efficiencies will be achieved through careful oversight and management.

As capacity is demanded by new customers, there will be increased demands on staff as customers connect and utilize the services offered by the highly efficient heating and cooling system. Continued high level maintenance and operations of the Plant, as well as response to service calls, must be maintained to realize the benefits of the efficient technology.

Education is necessary to understand the Plant and the efficiencies it brings to its users. Tours should continue to display this system and share the sustainability benefits of district heating and cooling systems.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0007 BEAVERTON BUILDING MANAGEMENT	PROGRAM MANAGERS: TRAVIS TAYLOR & SUSAN COLE

Program Goal:

To operate a successful and welcoming building for residents, tenants and the public. To preserve the residents' investment in Beaverton City Hall (a.k.a. The Beaverton Building) by maintaining maximum building service life through providing clean, safe, and environmentally-efficient facilities for employees and the public.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
MATERIALS & SERVICES	\$1,535,224	\$1,410,663	\$1,378,449	\$1,359,900	\$1,359,900
CAPITAL OUTLAY	61,662	514,446	80,000	0	0
DEBT SERVICE					
TRANSFERS					
CONTINGENCY					
TOTAL	\$1,596,886	\$1,925,109	\$1,458,449	\$1,359,900	\$1,359,900

Program Objective:

Operate the building efficiently for city staff and tenants. Provide a welcoming environment for visitors. The Property and Facilities Division manages the facility, including the tenant spaces on the 2nd and 3rd floor and serves as Property Manager for their maintenance and repair needs.

Support various activities held in the plazas at The Round and work closely with neighboring occupants of The Round, including the parking garage and Watson Building owner – Scanlan Kemper Bard (SKB), as well as Tri-Met and the condominium association.

Progress on FY 2018-19 Action Plan:

- Continued the retirement of debt associated with relocation of services to the new building and associated remodeling. Debt service is reflected in Fund 202 – Special Revenue Debt. These bonds mature in 2021.
- The operation of Beaverton Round Executive Suites continues with high occupancy levels in a competitive environment.
- The Central Desk staff provides a welcoming environment for customers and visitors.
- Remodeled the 2nd floor area to move the Finance Department, then reassigned other personnel into the vacated space on the 4th floor
- Improved the exterior of the building to a Class A standard by sealing the concrete panels and removing water and mineral staining on windows
- Continued to maintain a high quality office environment for private tenants of the second and third floors.
- Developed appropriate workload measurements for City Hall usage

FY 2019-20 Action Plan:

- Continue to coordinate moves on second floor filling vacancy of building inspector's departure to 4th floor, relocation of the Art program and other space utilization efforts
- Plan and implement security improvements on the second floor
- Develop a furnishings standard to update public, conference, and workstation spaces
- Enhance front entrance to the building off of the Round

CITY OF BEAVERTON, OREGON
 FISCAL YEAR 2019-20 BUDGET
 CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0007 BEAVERTON BUILDING MANAGEMENT	PROGRAM MANAGERS: TRAVIS TAYLOR & SUSAN COLE

Performance Measures:*	FY 2016-17 Actual	FY 2017-18 Actual	FY 2018-19 Budgeted/Revised	FY 2019-20 Adopted
Occupancy Level (% sq. ft. – 2 nd Floor) on Jan. 1	85%	100%	100%	100%
Occupancy Level (actual s.f. – 2 nd Floor Tenants) on Jan. 1	21,000	13,480 ¹	13,480	13,480
Occupancy Level (Executive Suites 3 rd Floor) on Jan. 1	95%	95%	95%	95%
Lease Income	\$899,806	\$887,553	\$915,178	\$941,800

¹ Reduction due to tenant space shrinkage now devoted to Finance Department

*Also see the Property and Facilities Division Program in the Mayor’s Office Department for performance measures related to The Beaverton Building.

Trends, Services and Issues:

As city services and programs expand, accommodation of new staff in The Beaverton Building will be challenging. The Mayor’s Office Department is anticipated to grow due to plans for the Patricia Reser Center for the Arts, as well as the potential new rental inspection program which would also require staffing. This would reduce the amount of space for private sector leases. Therefore; the rental income from those sources reflects that trend.

Use of the building continues to develop and morph, customers and visitors are genuinely impressed with the quality office environment that has been created.

Operation of the Beaverton Round Executive Suites (E-Suites) is a very successful activity. This service for small businesses serves the community well as part of the city’s economic development package.

CITY OF BEAVERTON, OREGON
FISCAL YEAR 2019-20 BUDGET
CURRENT LEVEL OF SERVICES

FUND: 001 GENERAL	DEPARTMENT: NON-DEPARTMENTAL
PROGRAM: 0008 GRIFFITH BUILDING OPERATIONS	PROGRAM MANAGER: TRAVIS TAYLOR

Program Goal:

To operate a successful and welcoming building for residents, tenants and the public. To preserve the residents' investment by maintaining maximum building service life through providing clean, safe, and environmentally-efficient facilities for employees and the public.

REQUIREMENTS	FY 2016-17 ACTUAL	FY 2017-18 ACTUAL	FY 2018-19 BUDGETED	FY 2019-20 PROPOSED	FY 2019-20 ADOPTED
MATERIALS & SERVICES	\$640,109	\$533,777	\$673,225	\$620,450	\$620,450
TOTAL	\$640,109	\$533,777	\$673,225	\$620,450	\$620,450

Program Objective:

Operate the building efficiently for city staff and provide a welcoming environment for visitors. Property and Facilities Division staff manage the electrical and mechanical systems, the security cameras and access control systems, and provide contractor management for janitorial, heating & cooling, and other systems. Staff evaluates the performance of building systems, maintenance practices and the materials and supplies used, and implements or recommends changes to enhance the service life of city facilities. This program strives to include MWESB and service disabled veterans firms with bid opportunities for goods and services.

Progress on FY 2018-19 Action Plan:

- Performed renovations to create meeting room space for community groups that were displaced by the closure of the Activity Center, and for times when the City's Severe Weather Shelter is open at the Community Center
- Completed projects identified in the ADA Title II Transition Plan
- Implemented front entry security improvements, including x-ray machine, metal detector, and enhanced access levels

FY 2019-20 Action Plan:

- Expand the Municipal Court staff area at the south end of the building to better serve the public, creating another transaction area for customer service
- Continue security enhancements started in 18/19
- Hold discussions on future use of the building after the Police Department and Emergency Management move to new Public Safety Center, as part of the Facilities Master Plan effort

Performance Measures

The specific objectives and performance measures for this program are established in the Property and Facilities Division program in the Mayor's Office for measures related to the Griffith Building.