# **Proposed Budget**

City of Portland, Oregon

Fiscal Year 2013-14 Volume Two

**City Funds** 

Mayor Charlie Hales
Commissioner Nick Fish
Commissioner Amanda Fritz
Commissioner Steve Novick
Commissioner Dan Saltzman
Auditor LaVonne Griffin-Valade

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General Fund

City Funds

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	208,787,546	213,479,123	215,985,717	209,807,908	212,778,740	
Licenses & Permits	123,953,009	130,132,505	153,758,484	161,748,129	161,527,886	
Charges for Services	17,543,926	17,865,099	17,844,377	19,298,554	19,378,049	
Intergovernmental	25,383,062	25,047,456	24,470,040	25,069,691	25,183,583	
Bond & Note	8,506,660	500,000	10,100,000	0	0	
Miscellaneous	3,453,344	3,583,100	4,028,971	3,629,225	3,628,579	
Total External Revenues	387,627,547	390,607,283	426,187,589	419,553,507	422,496,837	
General Fund Discretionary	0	0	0	23,200,025	0	
Fund Transfers - Revenue	46,702,353	44,918,514	29,826,511	34,777,621	37,779,030	
Interagency Revenue	20,827,898	23,330,723	24,843,902	24,854,872	23,488,663	
Total Internal Revenues	67,530,251	68,249,237	54,670,413	82,832,518	61,267,693	
Beginning Fund Balance	34,712,975	47,007,826	21,076,818	8,000,000	8,008,800	
Total Resources	489,870,773	505,864,346	501,934,820	510,386,025	491,773,330	
Requirements						
Personnel Services	290,567,375	313,223,186	311,391,980	332,038,916	319,083,489	
External Materials and Services	57,632,360	66,339,564	82,427,433	72,238,569	70,824,208	
Internal Materials and Services	54,678,275	56,317,369	54,310,203	55,681,429	51,478,803	
Capital Outlay	1,681,931	830,082	1,071,473	185,000	185,000	
Total Bureau Expenditures	404,559,941	436,710,201	449,201,089	460,143,914	441,571,500	
Debt Service	5,818,785	9,577,067	6,596,555	7,325,708	7,325,708	
Contingency	0	0	11,646,237	11,513,571	8,852,052	
Fund Transfers - Expense	32,484,221	35,751,260	34,490,939	31,402,832	34,024,070	
Total Fund Expenditures	38,303,006	45,328,327	52,733,731	50,242,111	50,201,830	
Ending Fund Balance	47,007,826	23,825,818	0	0	0	
Total Requirements	489,870,773	505,864,346	501,934,820	510,386,025	491,773,330	

### **Fund Overview**

**Fund Summary** 

The General Fund is the primary operating fund for the City of Portland. The core services of the City such as police, fire, parks, and community development are budgeted within this fund. The fund is mostly supported by property and transient lodging taxes, business and utility license fees, and state shared revenues.

Managing Agency City Budget Office

## Significant Changes From Prior Year

The April forecast required \$21.5 million in ongoing General Fund discretionary reductions and included \$800,000 of available one-time discretionary resources.

City Funds

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Miscellaneous	317,453	294,671	500,000	125,399	125,399	
Total External Revenues	317,453	294,671	500,000	125,399	125,399	
Fund Transfers - Revenue	0	2,395,473	1,852,234	1,903,236	1,903,236	
Total Internal Revenues	0	2,395,473	1,852,234	1,903,236	1,903,236	
Beginning Fund Balance	48,784,573	46,294,375	49,138,109	48,256,356	48,256,356	
Total Resources	49,102,026	48,984,519	51,490,343	50,284,991	50,284,991	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Contingency	0	0	51,490,343	50,284,991	50,284,991	
Fund Transfers - Expense	2,807,651	0	0	0	0	
Total Fund Expenditures	2,807,651	0	51,490,343	50,284,991	50,284,991	
Ending Fund Balance	46,294,375	48,984,519	0	0	0	
Total Requirements	49,102,026	48,984,519	51,490,343	50,284,991	50,284,991	

### **Fund Overview**

The General Reserve Fund was created in FY 1987-88 for the purpose of building a reserve for the General Fund. It is Council-adopted policy to maintain a reserve level equal to 10% of General Fund revenues, net of short-term borrowing.

The policy defines the first 5% of reserves as an emergency reserve available to fund major one-time, unanticipated expenditures or to offset unanticipated revenue fluctuations that occur within a fiscal year. The second 5% of the reserve fund is defined as a countercyclical reserve and is available to either maintain General Fund programs at current service levels or to adjust expenditure growth to match slower revenue growth during the first 18 to 24 months of a recession.

City Council's five-year financial forecast allows using reserves in excess of the required 10% level to fund one-time General Fund appropriations.

Fire Apparatus Reserve at \$6,166,386 for FY 2013-14

In FY 2010-11, the citizens of Portland approved a five-year Public Safety Levy which included funds for apparatus replacement in the Fire Bureau. During the levy period, the existing ongoing funds dedicated to apparatus replacement in the General Fund will be transferred to the General Reserve Fund. The replacement funds will be stored in the General Reserve Fund until FY 2015-16, at which time the levy will expire and the Fire Bureau will begin drawing on the reserve to supplement its ongoing apparatus replacement funds. The apparatus reserves total \$6,166,386 for FY 2013-14.

### **Managing Agency**

City Budget Office

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	156,899,213	112,783,681	81,032,430	38,734,287	38,769,676	
Bond & Note	6,528,375	8,100,000	0	0	0	
Miscellaneous	71,162	453,613	0	0	0	
Total External Revenues	163,498,750	121,337,294	81,032,430	38,734,287	38,769,676	
Interagency Revenue	135	0	0	0	0	
Total Internal Revenues	135	0	0	0	0	
Beginning Fund Balance	(17,168,020)	35,907	5,737,249	0	0	
Total Resources	146,330,865	121,373,201	86,769,679	38,734,287	38,769,676	
Requirements						
Personnel Services	10,055,118	10,215,872	12,345,046	8,865,795	8,865,795	
External Materials and Services	32,469,792	37,159,191	35,305,705	8,726,219	8,761,608	
Internal Materials and Services	2,194,995	4,423,373	1,967,108	4,952,699	4,952,699	
Capital Outlay	83,158,568	46,308,975	31,751,820	16,184,159	16,184,159	
Total Bureau Expenditures	127,878,473	98,107,411	81,369,679	38,728,872	38,764,261	
Debt Service	18,416,485	23,215,091	5,400,000	0	0	
Contingency	0	0	0	5,415	5,415	
Total Fund Expenditures	18,416,485	23,215,091	5,400,000	5,415	5,415	
Ending Fund Balance	35,907	50,699	0	0	0	
Total Requirements	146,330,865	121,373,201	86,769,679	38,734,287	38,769,676	

### **Fund Overview**

The Grants Fund serves as the central fund for all federal, state, and private financial assistance received by the City, including grants, contracts, and cooperative agreements. The City also receives funds from two federal entitlement programs, HOME and the Community Development Block Grant, which are budgeted in separate funds.

### **Managing Agency**

Office of Management and Finance, Office of the Chief Administrative Officer

## Significant Changes From Prior Year

The Grants Fund is typically smaller in the budget year compared to previous years because the City does not budget grant funding until the grant has been awarded. Other significant adjustments in the fund include:

- ◆ The Bureau of Transportation's grant budget was reduced from \$40.0 million in FY 2012-13 to \$25.9 million in FY 2013-14, primarily due to reduced funding for Burnside improvements, the Burgard Road bridge project, and the successful completion of the Eastside Streetcar and Moody/River Parkway projects.
- ◆ The Bureau of Emergency Management's grant budget was reduced from \$10.5 million in FY 2012-13 to \$5.1 million in FY 2013-14, primarily due to reduced federal Urban Areas Security Initiative (UASI) funds and the timing of grant awards.
- The Bureau of Planning and Sustainability's grant budget was reduced from \$9.8 million in FY 2012-13 to \$1.3 million in FY 2013-14, primarily due to a reduction in clean energy grants and the timing of grant awards.



	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	40,972	27,696	605,634	603,755	603,755	
Total External Revenues	40,972	27,696	605,634	603,755	603,755	
Fund Transfers - Revenue	1,622	0	1,205	0	0	
Total Internal Revenues	1,622	0	1,205	0	0	
Beginning Fund Balance	6,442,725	3,550,264	1,585,304	1,504,151	1,504,151	
Total Resources	6,485,319	3,577,960	2,192,143	2,107,906	2,107,906	
Requirements						
External Materials and Services	312,528	180,032	0	0	0	
Internal Materials and Services	202,351	149,632	14,286	17,270	15,877	
Capital Outlay	2,317,126	1,462,975	2,151,719	1,500,000	1,500,000	
Total Bureau Expenditures	2,832,005	1,792,639	2,166,005	1,517,270	1,515,877	
Contingency	0	0	37	546,316	547,709	
Fund Transfers - Expense	103,050	69,171	26,101	44,320	44,320	
Total Fund Expenditures	103,050	69,171	26,138	590,636	592,029	
Ending Fund Balance	3,550,264	1,716,150	0	0	0	
Total Requirements	6,485,319	3,577,960	2,192,143	2,107,906	2,107,906	

### **Fund Overview**

On November 7, 1998, the citizens of Portland authorized the sale of \$53.8 million in general obligation bonds to support a \$65.0 million program to improve the City's emergency facilities, including:

- Seismic upgrades to allow firefighters to effectively respond to an earthquake in the metropolitan area;
- Relocation and construction of new facilities to meet the goal of a four-minute response time to emergency calls;
- Renovation of facilities to be consistent with the evolving mission of Portland Fire & Rescue;
- Response to Americans with Disabilities Act accessibility requirements;
- Changes to fire stations for female firefighter accommodations; and
- Response to some emergency facilities approaching the end of their useful lives.

It was anticipated to take between eight and ten years to fully implement this program. Of the \$65.0 million program, \$62.2 million will be used to improve fire facilities and \$2.8 million will be used to expand the Portland Communications Center.

**Managing Agency** 

Office of Management and Finance, Office of the Chief Administrative Officer

### CHANGES FROM PRIOR YEAR

The projects in the program will be completed and the fund will be closed out during FY 2013-14. All funds are projected to be spent by year end.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	178,305	185,174	370,919	285,950	285,950	
Intergovernmental	6,980,450	6,335,857	6,847,017	7,253,465	7,098,830	
Bond & Note	26,207	0	0	0	0	
Miscellaneous	56,715	35,296	50,000	50,000	50,000	
Total External Revenues	7,241,677	6,556,327	7,267,936	7,589,415	7,434,780	
Fund Transfers - Revenue	10,379,028	12,888,779	13,232,499	14,225,715	13,307,197	
Interagency Revenue	46,808	37	0	0	0	
Total Internal Revenues	10,425,836	12,888,816	13,232,499	14,225,715	13,307,197	
Beginning Fund Balance	11,059,177	5,221,427	4,056,775	2,481,067	2,481,067	
Total Resources	28,726,690	24,666,570	24,557,210	24,296,197	23,223,044	
Requirements						
Personnel Services	13,214,371	13,187,185	13,549,053	14,523,975	13,687,772	
External Materials and Services	4,656,155	813,141	1,465,613	1,042,031	1,042,031	
Internal Materials and Services	3,837,274	4,114,692	4,374,230	3,943,387	3,735,073	
Total Bureau Expenditures	21,707,800	18,115,018	19,388,896	19,509,393	18,464,876	
Debt Service	1,311,463	1,324,372	1,339,013	1,357,746	1,357,746	
Contingency	0	0	2,480,947	2,531,067	2,502,431	
Fund Transfers - Expense	486,000	1,170,547	1,348,354	897,991	897,991	
Total Fund Expenditures	1,797,463	2,494,919	5,168,314	4,786,804	4,758,168	
Ending Fund Balance	5,221,427	4,056,633	0	0	0	
Total Requirements	28,726,690	24,666,570	24,557,210	24,296,197	23,223,044	

### **Fund Overview**

The Emergency Communication Fund is the operating fund for the Bureau of Emergency Communications. Expenditures are related to emergency 9-1-1 calltaking and dispatch as well as to administrative support for these activities. The fund revenues include an annual transfer from the General Fund, state 9-1-1 tax funds, and payments from other regional jurisdictions served by Emergency Communications. User jurisdictions, in addition to Portland, include Multnomah County and the Cities of Gresham, Troutdale, Fairview, Maywood Park, and Wood Village. Fund expenses include all Emergency Communications operating expenses.

# Activity Not Budgeted in Fund

The State of Oregon pays all costs associated with providing wireline and wireless services within Multnomah County. These costs are paid directly by the state to the vendor and are not reflected in the Emergency Communication Fund.

### Managing Agency

**Bureau of Emergency Communications** 

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	110,665,683	104,761,974	112,072,367	120,200,269	118,660,745	
Charges for Services	30	34	0	0	0	
Bond & Note	22,170,272	16,922,981	25,211,000	27,372,000	28,000,000	
Miscellaneous	531,444	1,291,178	1,508,000	430,000	430,000	
Total External Revenues	133,367,429	122,976,167	138,791,367	148,002,269	147,090,745	
Fund Transfers - Revenue	1,678	753,970	753,009	750,000	759,000	
Interagency Revenue	7,200	142,000	360,200	542,200	542,200	
Total Internal Revenues	8,878	895,970	1,113,209	1,292,200	1,301,200	
Beginning Fund Balance	11,591,042	18,179,294	13,927,817	13,754,338	13,754,338	
Total Resources	144,967,349	142,051,431	153,832,393	163,048,807	162,146,283	
Requirements						
Personnel Services	1,597,808	1,704,039	1,774,413	1,941,974	1,848,432	
External Materials and Services	98,767,264	102,280,642	108,427,421	112,803,085	112,539,688	
Internal Materials and Services	3,753,454	5,448,732	6,666,947	8,604,163	7,551,578	
Capital Outlay	9,900	138,934	95,500	30,000	30,000	
Total Bureau Expenditures	104,128,426	109,572,347	116,964,281	123,379,222	121,969,698	
Debt Service	22,275,958	16,998,192	25,516,569	27,705,886	28,339,886	
Contingency	0	0	11,280,009	11,854,000	11,727,000	
Fund Transfers - Expense	383,671	1,087,008	71,534	109,699	109,699	
Total Fund Expenditures	22,659,629	18,085,200	36,868,112	39,669,585	40,176,585	
Ending Fund Balance	18,179,294	14,393,884	0	0	0	
Total Requirements	144,967,349	142,051,431	153,832,393	163,048,807	162,146,283	

### **Fund Overview**

Chapter 5 of the Portland City Charter establishes the Fire & Police Disability & Retirement (FPDR) Fund for the sworn employees of Portland Fire & Rescue and the Portland Police Bureau, their surviving spouses, and their dependent minor children. The fund is supported primarily through a separate property tax levy originally authorized by the voters in 1948. The levy is a rate-based levy, providing a maximum rate of \$2.80 per \$1,000 of real market value.

Managing Agency

Bureau of Fire & Police Disability & Retirement

## Significant Changes from Prior Year

Net of tax anticipation notes, requirements for FY 2013-14 are increasing by \$5.5 million, or 4.3%, from the FY 2012-13 Revised Budget. The growth in external materials and services is primarily in pension benefits, as more members retire with higher final pay. On a percentage basis, Oregon Public Employees Retirement System contributions for members hired after 2006, the largest part of internal materials and services, have grown the most, as employees hired since 2006 make up an ever greater portion of the sworn workforce. Capital expenses will decline again in FY 2013-14, as the bureau has now completed its only capital project, the migration of a FoxPro database to SQL server.

The FPDR property tax levy will increase from \$1.55 per \$1,000 of real market value for FY 2012-13 to \$1.72 for FY 2013-14. Overall property tax collections will increase by \$8.1 million, or 7.3%, for FY 2013-14. Miscellaneous revenue will decline by \$1.1 million for FY 2013-14, or 71.5%, as the recovery of state tax offset benefits overpaid to members from 1991 to 2008 nears completion.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Total External Revenues	0	0	0	0	0	
Fund Transfers - Revenue	0	750,000	0	0	0	
Total Internal Revenues	0	750,000	0	0	0	
Beginning Fund Balance	750,000	750,000	750,000	750,000	750,000	
Total Resources	750,000	1,500,000	750,000	750,000	750,000	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Fund Transfers - Expense	0	750,000	750,000	750,000	750,000	
Total Fund Expenditures	0	750,000	750,000	750,000	750,000	
Ending Fund Balance	750,000	750,000	0	0	0	
Total Requirements	750,000	1,500,000	750,000	750,000	750,000	

### **Fund Overview**

The Fire & Police Disability & Retirement (FPDR) Reserve Fund was established by City Charter and is to be maintained in the amount of \$750,000. It is for use only in the event the FPDR Fund becomes depleted to the extent that current obligations cannot be met. Interest income on the \$750,000 is booked directly to the FPDR Fund.

**Managing Agency** 

Bureau of Fire & Police Disability & Retirement

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	312	254	300	200	200	
Total External Revenues	312	254	300	200	200	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	51,974	44,126	35,802	27,800	27,800	
Total Resources	52,286	44,380	36,102	28,000	28,000	
Requirements						
External Materials and Services	8,160	8,109	8,500	8,600	8,600	
Total Bureau Expenditures	8,160	8,109	8,500	8,600	8,600	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	44,126	36,271	27,602	19,400	19,400	
Total Requirements	52,286	44,380	36,102	28,000	28,000	

### **Fund Overview**

The Fire & Police Supplemental Retirement Reserve Fund was established by City Ordinance #138016 for the purpose of providing certain disability, service retirement, and death benefits for Bruce Baker, a former Chief of Police for the City of Portland. This supplemental trust was established in accordance with ORS 236.620 because Mr. Baker was not eligible for membership in, or benefits from, either the Fire and Police Disability and Retirement System or the Public Employees Retirement System.

Managing Agency City Budget Office

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	688,881	903,790	550,001	275,000	275,000	
Miscellaneous	104,227	164,380	81,910	10,900	10,900	
Total External Revenues	793,108	1,068,170	631,911	285,900	285,900	
Fund Transfers - Revenue	149,171	0	0	0	0	
Total Internal Revenues	149,171	0	0	0	0	
Beginning Fund Balance	1,008,790	1,395,758	1,880,528	1,092,394	1,092,394	
Total Resources	1,951,069	2,463,928	2,512,439	1,378,294	1,378,294	
Requirements						
External Materials and Services	478,282	467,159	1,664,003	1,260,935	1,260,935	
Internal Materials and Services	25,159	22,000	0	0	0	
Capital Outlay	50,184	84,252	0	0	0	
Total Bureau Expenditures	553,625	573,411	1,664,003	1,260,935	1,260,935	
Contingency	0	0	485,911	105,684	105,684	
Fund Transfers - Expense	1,686	4,991	362,525	11,675	11,675	
Total Fund Expenditures	1,686	4,991	848,436	117,359	117,359	
Ending Fund Balance	1,395,758	1,885,526	0	0	0	
Total Requirements	1,951,069	2,463,928	2,512,439	1,378,294	1,378,294	

### **Fund Overview**

The Police Special Revenue Fund was established by City Council in May 2009. The purpose of the fund is to account for restricted or committed law enforcement revenues. Prior to implementation of the City's new financial system in FY 2008-09, these revenues were held in trustee accounts outside of the City's budget. The City now includes these revenues and associated expenditures in the City's annual budget.

The fund's revenues include three types of asset forfeiture proceeds (federal, state criminal, and state civil), which are tracked in three separate sub-funds. By law, the Portland Police Bureau may only spend asset forfeiture proceeds on certain functions such as drug enforcement and education. Additional revenues include donations to the Gang Resistance Education and Training program, the Employee Assistance program, the Police Special Contributions program, and the WomenStrength and GirlStrength programs. Donation revenue is also received for restricted spending on other programs from time-to-time. Each of these programs receives annual donations, and expenditures are restricted to the respective programs.

### **Managing Agency**

Portland Police Bureau

# Significant Fund Changes

Revenue from asset forfeiture proceeds was favorably impacted in FY 2010-11 due to a backlog of pending state forfeiture cases that reached closure. In FY 2011-12 there was an abnormally high number of large federal asset forfeiture proceeds. FY 2013-14 revenue is budgeted at a lower level because neither of these circumstances is anticipated to repeat. Conversely, FY 2012-13 expenditures for one-time requirements are triple that of the prior fiscal year, which will lead to a lower beginning fund balance in FY 2013-14.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Bond & Note	26,662,244	0	0	46,228,756	46,228,756	
Miscellaneous	28,242	164,380	59,500	713,825	713,825	
Total External Revenues	26,690,486	164,380	59,500	46,942,581	46,942,581	
Fund Transfers - Revenue	207,469	11,408,529	3,472	0	0	
Total Internal Revenues	207,469	11,408,529	3,472	0	0	
Beginning Fund Balance	0	21,821,774	29,959,735	20,007,622	20,007,622	
Total Resources	26,897,955	33,394,683	30,022,707	66,950,203	66,950,203	
Requirements						
Personnel Services	130,632	245,687	307,035	376,086	376,086	
External Materials and Services	4,160,330	1,027,837	3,436,386	10,707,239	10,711,175	
Internal Materials and Services	555,287	130,471	409,500	640,461	632,307	
Capital Outlay	0	996,971	11,377,102	12,833,791	12,833,791	
Total Bureau Expenditures	4,846,249	2,400,966	15,530,023	24,557,577	24,553,359	
Debt Service	229,932	511	0	329,001	329,001	
Contingency	0	0	14,466,378	42,016,660	42,020,878	
Fund Transfers - Expense	0	0	26,306	46,965	46,965	
Total Fund Expenditures	229,932	511	14,492,684	42,392,626	42,396,844	
Ending Fund Balance	21,821,774	30,993,206	0	0	0	
Total Requirements	26,897,955	33,394,683	30,022,707	66,950,203	66,950,203	

### **Fund Overview**

On November 2, 2010, the citizens of Portland authorized the sale of \$72.4 million in general obligation bonds to support a \$88.5 million program to improve the City's public safety infrastructure, including:

- Replacement of fire apparatus
- Construction of a fire station
- Construction of an emergency coordination center
- Replacement of the City's 800 MHz radio system

The Public Safety GO Bond Fund was approved by Council in December 2010 to account for these projects. As required by Council resolution, each City Council member appointed a citizen to the Independent Citizen Committee for a total of five members. The proposed oversight structure calls for three Project Oversight Committees that provide reports to the Independent Citizen Committee. Also, as required by Council resolution, this Independent Citizen Committee reports to the Chief Administrative Officer on a quarterly basis and to City Council on an annual basis regarding the status of the Public Safety General Obligation Bond.

**Managing Agency** 

Office of Management and Finance, Office of the Chief Administrative Officer

## Significant Changes from a Prior Year

The FY 2013-14 budget increases are a result of the fund budgeting for its second bond debt sale. The sale is estimated to be \$46.2 million, \$42.0 million of which is for the costs of projects in FY 2014-15 and FY 2015-16.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	13,650	0	0	0	0	
Charges for Services	7,386,018	7,706,697	7,932,689	7,954,759	7,954,759	
Miscellaneous	15,349	32,455	10,722	12,271	12,271	
Total External Revenues	7,415,017	7,739,152	7,943,411	7,967,030	7,967,030	
Fund Transfers - Revenue	97,025	1,992	1,896	0	17,000	
Total Internal Revenues	97,025	1,992	1,896	0	17,000	
Beginning Fund Balance	1,577,624	1,393,529	822,661	1,166,847	1,166,847	
Total Resources	9,089,666	9,134,673	8,767,968	9,133,877	9,150,877	
Requirements						
Personnel Services	3,058,329	3,108,523	3,310,202	3,362,442	3,362,442	
External Materials and Services	3,010,103	2,919,013	3,382,100	3,262,042	3,262,042	
Internal Materials and Services	421,095	521,243	545,308	619,778	593,908	
Capital Outlay	71,668	336,955	198,500	150,000	150,000	
Total Bureau Expenditures	6,561,195	6,885,734	7,436,110	7,394,262	7,368,392	
Debt Service	115,248	124,547	140,411	156,140	156,140	
Contingency	0	0	879,029	1,251,766	1,294,636	
Fund Transfers - Expense	1,019,694	1,157,938	312,418	331,709	331,709	
Total Fund Expenditures	1,134,942	1,282,485	1,331,858	1,739,615	1,782,485	
Ending Fund Balance	1,393,529	966,454	0	0	0	
Total Requirements	9,089,666	9,134,673	8,767,968	9,133,877	9,150,877	

### **Fund Overview**

The Golf Fund is an enterprise fund that accounts for all resources and requirements of the Portland Parks & Recreation Golf program.

The primary sources of revenue to the Golf Fund are:

- Revenues from contracts with concessionaires located at each of the City's golf courses. This includes revenues derived from food and beverage services, clothing and equipment sales, golf lessons, cart rental, driving range activities where available, and collection of greens fees.
- Greens fees are paid by golfers for each round of golf played whether, nine holes or 18 holes.

### **Managing Agency**

Portland Parks & Recreation

## Significant Changes from Prior Year

### Heron Lakes Clubhouse Development

The Golf program completed the conceptual design for a new clubhouse at Heron Lakes Golf Course during FY 2009-10. The next phase of design began in FY 2010-11 which looked at land use, engineering, and permitting requirements. For FY 2011-12, 50% of construction documents were completed. In FY 2013-14 the bureau will continue to monitor the accessibility of financing for this project.

Golf Fund Fund Summary

Parks, Recreation, and Culture service Area Funds

Rose City Lake Renovation Two lakes at Rose City Golf Course are in need of major maintenance. The lakes will be dredged and resealed by the end of FY 2013-14. It is anticipated that one

lake will cost \$25,000.

Fleet Upgrades When the Golf Program was established, many pieces of equipment were

purchased through the Golf Fund and never placed on a replacement schedule. In FY 2013-14, a budget of \$125,000 will include the cost of the equipment and one

year's replacement fund charges.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Miscellaneous	4,301	7,420	0	0	0	
Total External Revenues	4,301	7,420	0	0	0	
Fund Transfers - Revenue	807,280	912,420	0	0	0	
Total Internal Revenues	807,280	912,420	0	0	0	
Beginning Fund Balance	636,605	640,906	0	0	0	
Total Resources	1,448,186	1,560,746	0	0	0	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	807,280	1,557,704	0	0	0	
Total Fund Expenditures	807,280	1,557,704	0	0	0	
Ending Fund Balance	640,906	3,042	0	0	0	
Total Requirements	1,448,186	1,560,746	0	0	0	

### **Fund Overview**

The Golf Revenue Bond Redemption Fund receives cash transfers from the Golf Fund and pays principal and interest on all debt associated with the Golf program. Debt service is payable from and secured by net revenues from the Golf program. This fund also holds debt service reserves as required by the covenants of individual debt issues.

**Managing Agency** 

Portland Parks & Recreation

## Significant Changes from Prior Year

The Golf Program's outstanding revenue bond debt was extinguished in FY 2011-12. It is anticipated that the program will continue to construct the Heron Lakes Clubhouse and will need to look to the bond market to acquire such financing in the near future. There will be no payments from the Golf Revenue Bond Redemption Fund in FY 2013-14.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	0	250,000	0	0	0	
Charges for Services	4,373,618	7,337,429	8,514,264	8,080,184	8,080,184	
Intergovernmental	1,857,583	3,023,336	10,776,920	2,601,465	2,601,465	
Bond & Note	0	3,131,248	1,824,851	0	0	
Miscellaneous	786,729	876,785	1,459,569	982,524	982,524	
Total External Revenues	7,017,930	14,618,798	22,575,604	11,664,173	11,664,173	
Fund Transfers - Revenue	3,748,293	2,460,718	1,218,778	1,306,231	1,180,246	
Interagency Revenue	25,473	37,387	0	24,826	24,826	
Total Internal Revenues	3,773,766	2,498,105	1,218,778	1,331,057	1,205,072	
Beginning Fund Balance	6,052,140	8,399,994	17,423,241	5,915,487	5,915,487	
Total Resources	16,843,836	25,516,897	41,217,623	18,910,717	18,784,732	
Requirements						
Personnel Services	1,228,229	1,460,855	1,344,621	1,453,361	1,453,361	
External Materials and Services	1,756,380	2,091,137	3,978,212	2,189,088	2,063,103	
Internal Materials and Services	640,800	665,084	626,580	520,072	509,051	
Capital Outlay	2,394,739	3,347,967	20,958,920	13,641,275	13,641,275	
Total Bureau Expenditures	6,020,148	7,565,043	26,908,333	17,803,796	17,666,790	
Debt Service	1,121,392	99,117	969,477	719,890	719,890	
Contingency	0	0	13,179,794	225,414	236,435	
Fund Transfers - Expense	1,302,302	362,760	160,019	161,617	161,617	
Total Fund Expenditures	2,423,694	461,877	14,309,290	1,106,921	1,117,942	
Ending Fund Balance	8,399,994	17,489,977	0	0	0	
Total Requirements	16,843,836	25,516,897	41,217,623	18,910,717	18,784,732	

### **Fund Overview**

The Parks Capital Improvement Program Fund accounts for all capital resources and requirements for Portland Parks & Recreation with the exception of capital activity relating to two enterprise funds, the Golf Fund and the Portland International Raceway Fund.

### **Revenue Sources**

The primary sources of revenue to the Parks Capital Improvement Program Fund include service charges and fees from the System Development Charges program, Metro Bond local match, General Fund discretionary, local, state and federal grants, and the Portland Development Commission funding.

# Project Selection and Prioritization

Capital projects are first prioritized within the bureau's five-year Capital Improvement Plan (CIP). Projects prioritized in the first year of the CIP are ranked in the annual budget process by the bureau's CIP committee with regard to scope, priority, funding, safety, code compliance, and community importance.

Three primary objectives guide project selection and prioritization:

- 1. Acquire land, including natural areas, and construct facilities in park deficient areas;
- 2. Address capital repairs and replacement to preserve existing infrastructure; and

3. Address capital repairs and replacement to comply with safety, health, and code requirements.

Managing Agency Portland Parks & Recreation

## Significant Changes from Prior Year

Portland Parks & Recreation has completed survey and research work for a potential bond measure, but postponed the delivery of such a measure until the economy becomes more suitable. It is anticipated that in 2013 more discussion and awareness of a potential bond measure will occur.

In addition, the following projects were completed during the past year:

- Terrace Trails Park Development, funded with system development charges
- Frazier, NE Sumner, Furey and Claradon Community Gardens, funded by General Fund and donations
- Peninsula Park Windows, Lighting Retrofits, and the Matt Dishman, funded by solar installation federal stimulus grants
- Parklane and Gilbert Primary playgrounds, funded with General Fund for the E205 Initiative
- SW Tennis Court Resurfacing and Matt Dishman Lockers, funded with bureau operating funding

Works continues on the following projects:

- Maintenance facility improvements at Delta Park and completion of the Chimney Park project
- South Waterfront Greenway Trail
- Pittock Mansion Balustrades
- Thomas Cully Park Development

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	1,218	1,155	820	955	955	
Total External Revenues	1,218	1,155	820	955	955	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	182,999	181,792	181,856	181,930	181,930	
Total Resources	184,217	182,947	182,676	182,885	182,885	
Requirements						
Personnel Services	0	0	1,000	750	750	
External Materials and Services	225	0	18,489	18,285	18,285	
Internal Materials and Services	2,200	600	50	775	775	
Total Bureau Expenditures	2,425	600	19,539	19,810	19,810	
Contingency	0	0	377	285	285	
Total Fund Expenditures	0	0	377	285	285	
Ending Fund Balance	181,792	182,347	162,760	162,790	162,790	
Total Requirements	184,217	182,947	182,676	182,885	182,885	

### **Fund Overview**

The Parks Endowment Fund accounts for gifts, donations, and endowments of a permanent nature, whereby the donation principal is invested and interest earnings are available to support programs and services as directed by the funding donor. There are currently four endowments within the fund.

### F.L. Beach Curbside Rose Award Trust

This endowment was established in 1975. Its purpose is to encourage planting and maintaining roses that will be visible to the public. An incentive system was established through awards and annual competitions, which are funded from the trust. Funds not used in a given year are reinvested to increase fund balances.

### Parks Maintenance Endowment

This endowment was established in FY 2002-03. Earnings are reinvested to increase the size of the endowment with the intent of eventually generating sufficient interest income to help maintain the parks system.

### Washington Park Children's Playground Endowment

This endowment was established by a \$75,000 donation from the Portland Rotary Club with the goal of maintaining the playground in Washington Park.

# The Dietz Fountain at Wallace Park Endowment

This endowment was established in FY 2003-04 with an original gift of \$4,500. Income from this endowment contributes toward maintenance of the Dietz Fountain.

### **Managing Agency**

Portland Parks & Recreation

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	87,630	11,789	16,071	1,922	1,922	
Miscellaneous	34,435	24,328	8,926	8,099	8,099	
Total External Revenues	122,065	36,117	24,997	10,021	10,021	
Fund Transfers - Revenue	0	0	4,882	0	0	
Total Internal Revenues	0	0	4,882	0	0	
Beginning Fund Balance	6,074,282	4,317,897	2,955,985	2,137,993	2,137,993	
Total Resources	6,196,347	4,354,014	2,985,864	2,148,014	2,148,014	
Requirements						
Personnel Services	420,755	394,304	318,419	132,632	132,632	
Internal Materials and Services	491,940	562,764	460,632	209,778	209,234	
Total Bureau Expenditures	912,695	957,068	779,051	342,410	341,866	
Contingency	0	0	2,206,813	1,802,500	792,895	
Fund Transfers - Expense	965,755	502,402	0	3,104	1,013,253	
Total Fund Expenditures	965,755	502,402	2,206,813	1,805,604	1,806,148	
Ending Fund Balance	4,317,897	2,894,544	0	0	0	
Total Requirements	6,196,347	4,354,014	2,985,864	2,148,014	2,148,014	

### **Fund Overview**

The Parks Local Option Levy Fund was established following voter approval of the Parks Local Option Levy in November 2002. The purpose of the levy was to restore \$2.2 million in funding reductions made in FY 2002-03; provide access to recreational programs for children, families, and seniors; provide safe places to play; and restore, renovate, and continue to maintain the park system.

Resources in this fund are derived from property tax revenues and interest earnings. Fund requirements include costs associated with Portland Parks & Recreation programs and services.

The levy expired June 30, 2008, but due to favorable interest rates, tax collections and delays in capital improvements, the ending fund balance allowed for an additional year of program funding. Since then, Council has allocated \$5.4 million of ongoing General Fund resources to backfill the funding that had been provided by the levy. Levy funds support the operations and maintenance of levy-funded capital improvements for five years from the date the assets are placed into service.

**Managing Agency** 

Portland Parks & Recreation

## Significant Changes from Prior Year

Levy Funded Programs In FY 2013-14, a portion of the the local option levy balance is utilized to restore and continue a number of programs, as discussed in the bureau section.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	1,649,515	1,748,771	1,811,666	1,853,757	1,853,757	
Miscellaneous	9,069	8,621	5,893	7,945	7,945	
Total External Revenues	1,658,584	1,757,392	1,817,559	1,861,702	1,861,702	
Fund Transfers - Revenue	95,809	288	693	0	13,000	
Total Internal Revenues	95,809	288	693	0	13,000	
Beginning Fund Balance	680,614	611,614	676,155	627,810	627,810	
Total Resources	2,435,007	2,369,294	2,494,407	2,489,512	2,502,512	
Requirements						
Personnel Services	736,219	775,323	773,887	783,518	783,518	
External Materials and Services	529,509	487,932	628,557	583,473	583,473	
Internal Materials and Services	123,161	99,691	124,225	127,177	123,437	
Capital Outlay	30,000	0	0	0	0	
Total Bureau Expenditures	1,418,889	1,362,946	1,526,669	1,494,168	1,490,428	
Debt Service	296,128	296,866	303,254	303,695	303,695	
Contingency	0	0	617,213	628,450	645,190	
Fund Transfers - Expense	108,376	44,327	47,271	63,199	63,199	
Total Fund Expenditures	404,504	341,193	967,738	995,344	1,012,084	
Ending Fund Balance	611,614	665,155	0	0	0	
Total Requirements	2,435,007	2,369,294	2,494,407	2,489,512	2,502,512	

### **Fund Overview**

The Portland International Raceway Fund is an enterprise fund that accounts for all resources and requirements associated with management and operation of the Portland International Raceway.

The primary sources of ongoing revenues to the Portland International Raceway Fund are concession revenues from food and beverage services, product and souvenir sales during various events, and facilities rental revenues.

Managing Agency Portland Parks & Recreation

## Significant Changes from Prior Year

**Rental Rates** Responding to the economic downturn and the impact to inflation, the fund did not

raise rates in FY 2012-13 and foresees FY 2013-14 to be the same.

**New Developments** In FY 2013-14, \$75,000 is budgeted to update the raceway's 2004 Master Plan.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	58,882	270,400	40,000	40,000	40,000	
Charges for Services	90,559	79,163	31,402	74,500	74,500	
Miscellaneous	738,871	643,267	644,347	661,140	661,140	
Total External Revenues	888,312	992,830	715,749	775,640	775,640	
Fund Transfers - Revenue	47,200	57,105	92,806	36,200	36,200	
Total Internal Revenues	47,200	57,105	92,806	36,200	36,200	
Beginning Fund Balance	2,180,257	2,114,468	2,108,538	2,636,512	2,636,512	
Total Resources	3,115,769	3,164,403	2,917,093	3,448,352	3,448,352	
Requirements						
Personnel Services	453,951	258,366	558,898	523,537	523,537	
External Materials and Services	414,286	168,600	1,033,781	1,124,201	1,124,201	
Internal Materials and Services	108,064	510,694	672,563	475,171	475,171	
Capital Outlay	0	0	962	0	0	
Total Bureau Expenditures	976,301	937,660	2,266,204	2,122,909	2,122,909	
Contingency	0	0	650,889	1,275,443	1,275,443	
Fund Transfers - Expense	25,000	93,212	0	50,000	50,000	
Total Fund Expenditures	25,000	93,212	650,889	1,325,443	1,325,443	
Ending Fund Balance	2,114,468	2,133,531	0	0	0	
Total Requirements	3,115,769	3,164,403	2,917,093	3,448,352	3,448,352	

### **Fund Overview**

The Portland Parks Memorial Fund was established to receive proceeds from grants as well as donations from foundations, friends' organizations, neighborhood associations, and other entities. These funds often have restrictions related to purpose and the time to use such funds.

### **Fund Requirements**

Resources within this fund are typically used for one-time expenditures for specific improvements or services. Individual grants or donations are managed in separate accounts within the fund, according to the provisions of the contract, grant, or donor agreement.

### **Managing Agency**

Portland Parks & Recreation

## Significant Changes from Prior Year

Parks set up a subfund to accept donations specifically addressed to the Children's Arboretum. This came in response to the memorial wishes of Dick Towle's family.

Parks is also in the process of setting up a special revenue subfund for the collection of parking revenues at Washington Park, earmarked for future improvements at the park.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	6,982,425	6,405,408	6,357,137	6,486,530	6,486,530	
Intergovernmental	1,847,437	2,161,698	36,741,356	1,683,803	1,683,803	
Bond & Note	9,840,146	12,142,208	0	0	0	
Miscellaneous	99,826	96,064	78,321	72,250	72,250	
Total External Revenues	18,769,834	20,805,378	43,176,814	8,242,583	8,242,583	
Fund Transfers - Revenue	2,862	104	609	0	17,000	
Total Internal Revenues	2,862	104	609	0	17,000	
Beginning Fund Balance	7,896,754	7,369,750	6,910,467	5,701,246	5,701,246	
Total Resources	26,669,450	28,175,232	50,087,890	13,943,829	13,960,829	
Requirements						
Personnel Services	0	0	202,130	150,000	150,000	
External Materials and Services	2,427,916	1,220,023	2,130,000	2,205,162	2,205,162	
Internal Materials and Services	441,718	601,426	318,064	349,455	341,670	
Capital Outlay	9,840,146	399,736	35,100,000	500,000	500,000	
Total Bureau Expenditures	12,709,780	2,221,185	37,750,194	3,204,617	3,196,832	
Debt Service	6,486,781	18,838,565	7,220,843	7,144,528	7,144,528	
Contingency	0	0	4,788,960	3,277,454	3,302,239	
Fund Transfers - Expense	103,139	205,015	327,893	317,230	317,230	
Total Fund Expenditures	6,589,920	19,043,580	12,337,696	10,739,212	10,763,997	
Ending Fund Balance	7,369,750	6,910,467	0	0	0	
Total Requirements	26,669,450	28,175,232	50,087,890	13,943,829	13,960,829	

### **Fund Overview**

The Spectator Facilities Fund is a self-sustaining enterprise fund within the Office of Management and Finance established to budget, monitor, and account for resources and requirements for the Rose Quarter facilities and JELD-WEN Field (formerly PGE Park). Major program activities include operations and maintenance; capital improvements; financial planning and contract administration; special projects; and liaison activities among City bureaus, other governmental agencies, and private parties.

### **Rose Quarter**

Rose Quarter facilities include the Rose Garden Arena Complex, Veterans Memorial Coliseum, East/West Parking Garages, and the Benton Lot. The Rose Garden Arena is the home venue for the Portland Trail Blazers, a National Basketball Association franchise team. The Veterans Memorial Coliseum is the home venue for the Portland Winterhawks, a Western Hockey League franchise team. The Rose Quarter venues host a variety of other sports, entertainment, community, and arts/cultural events as well as a variety of expositions, meetings and shows. User fees and parking receipts from the Rose Quarter's venues account for over 50 percent of the annual projected revenue for the fund.

A community based process begun in 2009 and led by the Portland Development Commission looked at future development in the Rose Quarter District and examined options for renovation or adaptive reuse of the Veterans Memorial Coliseum. One result of that effort was a City Council decision in 2010 to continue to operate the Veterans Memorial Coliseum as a spectator facility for the foreseeable future.

### JELD-WEN Field

The renovation of JELD-WEN Field was completed in April 2011 and is now the home venue for the Portland Timbers, a Major League Soccer franchise team and the Portland State Vikings, an NCAA affiliated football team. The City's share of the renovation cost was about \$12 million. In 2012, 20-year bonds to cover this debt were issued; the bond payments are paid from the fund and are expected to be retired in FY 2026-27. A new 25-year operating agreement with Peregrine Sports, LLC took effect on January 1, 2011, and provides the fund with a gradually increasing flow of revenue from user fees for a seven year period of time. The fund continues to make bond payments for debt issued for the prior renovation of this facility (then named PGE Park) as well. As a result, the net expenses needed to operate and maintain JELD-WEN Field and to cover the associated debt service will continue to rely on net income from Rose Quarter operations to fully meet these obligations.

**Managing Agency** 

Office of Management and Finance, Office of the Chief Administrative Officer

## Significant Changes from a Prior Year

Over a two-year period of time, Office of Management, Portland Development Commission, Portland Arena Management; a subsidiary of the Trail Blazers responsible for operating the Veteran's' Memorial Coliseum, and the Portland Winterhawks developed a renovation plan and negotiated the funding needed for its implementation. The City Council's consideration of the agreements reached through those negotiations were terminated, in March 2013, when the Portland Winterhawks withdrew from the project. A new round of discussions about the potential renovation project are expected to begin in early FY 2013-14. The FY 2013-14 budget was adjusted accordingly to reflect the changes in project status.



	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	5,540,241	5,456,615	4,304,622	3,506,000	2,976,000	
Intergovernmental	1,000,000	0	0	0	0	
Miscellaneous	27,515	40,176	32,500	15,000	15,000	
Total External Revenues	6,567,756	5,496,791	4,337,122	3,521,000	2,991,000	
Fund Transfers - Revenue	65,259	0	702	0	320,000	
Interagency Revenue	366,367	435,569	388,500	407,000	407,000	
Total Internal Revenues	431,626	435,569	389,202	407,000	727,000	
Beginning Fund Balance	1,313,798	2,681,951	4,107,500	5,012,000	4,121,000	
Total Resources	8,313,180	8,614,311	8,833,824	8,940,000	7,839,000	
Requirements						
Personnel Services	630,847	393,006	434,250	465,734	365,642	
External Materials and Services	4,171,427	3,002,377	2,697,609	2,572,609	2,947,609	
Internal Materials and Services	747,781	746,640	878,461	888,569	888,090	
Total Bureau Expenditures	5,550,055	4,142,023	4,010,320	3,926,912	4,201,341	
Debt Service	826	295,892	1,006	1,120	1,120	
Contingency	0	0	4,638,530	4,844,856	3,469,427	
Fund Transfers - Expense	80,348	135,448	183,968	167,112	167,112	
Total Fund Expenditures	81,174	431,340	4,823,504	5,013,088	3,637,659	
Ending Fund Balance	2,681,951	4,040,948	0	0	0	
Total Requirements	8,313,180	8,614,311	8,833,824	8,940,000	7,839,000	

### **Fund Overview**

The Environmental Remediation Fund was established by City Council in FY 1993-94 to provide funding to remediate former solid waste disposal sites for which the City is liable.

## Portland Harbor Superfund

Beginning in FY 2005-06, funding for the Portland Harbor Superfund program moved to the Environmental Remediation Fund with resources provided by cash transfers from the Sewer System Operating Fund and supplemented by interest earnings from the fund. Including the Portland Harbor Superfund program within the fund is consistent with the purposes of the fund and distinguishes the program from the routine sewer system operations that are budgeted for, and funded within, the Sewer System Operating Fund.

### Land Acquisition and Remediation of the Guilds Lake Property

The Guilds Lake property is a former landfill operated by the City from 1910 through the late 1940s. The acquisition and remediation of this site was financed by the Environmental Remediation 1993 Series A Revenue Bonds issued in November 1993. The Guilds Lake remediation was completed in FY 1994-95. Property maintenance and management and environmental monitoring of the site are funded as required by the Department of Environmental Quality.

Lease income from current tenants on the City-owned Guilds Lake site supports the fund's operating and capital expenditures. This revenue source, along with the fund's interest earnings and cash transfers, are used for remediation projects.

### **Managing Agency**

Bureau of Environmental Services

## Significant Changes From Prior Year

Rate revenues of \$2.5 million in charges for services will fund the majority of the Portland Harbor Superfund program. This represents \$1.3 million or 35.1% decrease from the FY 2012-13 Revised Budget of \$3.8 million. The fund also receives rental income of \$913,000 from leases at the Guild's Lake facility of which \$407,000 comes from the Portland Police Bureau that appears in the interagency revenue line.

Personnel services expenditures are budgeted 15.8% lower than the FY 2012-13 Revised Budget due to the elimination of one FTE and PERS savings from reforms passed by the Oregon Legislature, and savings from reducing and delaying cost of living allowance increases for represented and non-represented personnel.

External materials and services for Portland Harbor Superfund work are budgeted at \$2.9 million, or 9.3% higher, than the FY 2012-13 Revised Budget. Increases include funding for restoration work within the Portland Harbor Program.

Internal materials and services expenditures, when compared with the FY 2012-13 Revised Budget, are 1.1% higher due to minor cost increases for monitoring and sampling.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	2,714,339	2,748,375	2,736,337	2,753,300	2,753,300	
Total External Revenues	2,714,339	2,748,375	2,736,337	2,753,300	2,753,300	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	4,420,808	4,418,337	4,432,710	4,517,852	4,517,852	
Total Resources	7,135,147	7,166,712	7,169,047	7,271,152	7,271,152	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	2,716,810	2,711,764	2,696,058	2,699,138	2,699,138	
Debt Service Reserves	0	0	2,761,824	2,756,452	2,756,452	
Total Fund Expenditures	2,716,810	2,711,764	5,457,882	5,455,590	5,455,590	
Ending Fund Balance	4,418,337	4,454,948	1,711,165	1,815,562	1,815,562	
Total Requirements	7,135,147	7,166,712	7,169,047	7,271,152	7,271,152	

### **Fund Overview**

The Hydroelectric Power Bond Redemption Fund pays the debt service due on revenue bonds that were issued to finance construction of the Portland Hydroelectric Project (PHP). This fund is required by the PHP power sales agreement between the City and Portland General Electric (PGE). The trustee for the City's Hydroelectric Power Revenue Refunding Bonds holds the assets in this fund and serves as paying agent for the bonds.

As partial payment for the sale of electricity that is generated at the PHP, this fund receives monthly payments from PGE for the annual net debt service due on the City's Hydroelectric Power Revenue Refunding Bonds. Requirements include debt service to be paid on the outstanding Hydroelectric Power Revenue Refunding Bonds and a debt service reserve held in ending fund balance.

**Managing Agency** 

Portland Water Bureau

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	668,352	927,133	921,100	850,100	850,100	
Total External Revenues	668,352	927,133	921,100	850,100	850,100	
Fund Transfers - Revenue	123,325	50,046	125,665	125,000	163,000	
Interagency Revenue	54,015	61,856	68,500	68,500	68,500	
Total Internal Revenues	177,340	111,902	194,165	193,500	231,500	
Beginning Fund Balance	338,629	266,369	359,200	249,944	249,944	
Total Resources	1,184,321	1,305,404	1,474,465	1,293,544	1,331,544	
Requirements						
Personnel Services	234,999	251,162	279,255	297,894	289,894	
External Materials and Services	146,834	91,163	378,400	207,500	207,500	
Internal Materials and Services	174,690	175,136	220,673	224,177	219,589	
Total Bureau Expenditures	556,523	517,461	878,328	729,571	716,983	
Debt Service	14,105	15,243	17,185	19,110	19,110	
Contingency	0	0	44,234	210,511	261,099	
Fund Transfers - Expense	347,324	390,794	534,718	334,352	334,352	
Total Fund Expenditures	361,429	406,037	596,137	563,973	614,561	
Ending Fund Balance	266,369	381,906	0	0	0	
Total Requirements	1,184,321	1,305,404	1,474,465	1,293,544	1,331,544	

### **Fund Overview**

The Hydroelectric Power Operating Fund supports the administration and monitoring of the Portland Hydroelectric Project (PHP) through the Portland Water Bureau's Hydroelectric Power Division. Except for debt service on PHP revenue bonds, all expenditures needed to meet the City's responsibilities for the PHP are paid by this fund.

#### Resources

The primary revenue source for this fund is power sales payments made to the City by Portland General Electric (PGE) for the purchase of electricity that is generated at the PHP. The power sales revenue received by this fund consists of two PGE payments:

- PGE pays this fund in an annually adjusted amount to reimburse the City's expenses associated with administration, regulatory compliance, and water quality monitoring related to PHP operations.
- PGE pays this fund a second amount that serves as a profit payment tied to the actual amount of power generated annually by the PHP. In an average year, this amount is about \$230,000.

### **Managing Agency**

Portland Water Bureau

## Significant Changes From Prior Year

### **Payments from PGE**

In FY 2013-14, the amount of reimbursement from PGE to the City that is dedicated for administration, regulatory compliance, commercial insurance, and water quality monitoring expenses related to the PHP is projected to be \$693,400.

PGE pays the City annually for profit on power generated by the PHP which, for FY 2013-14, will provide a profit payment to the City of approximately \$151,500. This payment for FY 2013-14 will be lower than normal because one of the two PHP powerhouses will have been kept off-line for 14 months while the Portland Water Bureau modifies the North Intake Tower at Bull Run Dam No. 2.

## Maintenance to the PHP

In FY 2013-14, the Hydroelectric Power Operating Fund has budgeted \$125,000 for cash transfers from the Hydroelectric Power Renewal and Replacement Fund to this fund as well as an equal amount of expenditures to reimburse PGE for their costs for ongoing repair and replacements to the PHP facilities. These cash transfers and reimbursements are only made in response to work actually done by PGE for the PHP.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	223,940	389,224	347,340	207,600	207,600	
Total External Revenues	223,940	389,224	347,340	207,600	207,600	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	9,303,360	9,404,997	9,686,500	10,019,530	10,019,530	
Total Resources	9,527,300	9,794,221	10,033,840	10,227,130	10,227,130	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Contingency	0	0	9,908,840	10,102,130	10,102,130	
Fund Transfers - Expense	122,303	49,434	125,000	125,000	125,000	
Total Fund Expenditures	122,303	49,434	10,033,840	10,227,130	10,227,130	
Ending Fund Balance	9,404,997	9,744,787	0	0	0	
Total Requirements	9,527,300	9,794,221	10,033,840	10,227,130	10,227,130	

### **Fund Overview**

The Hydroelectric Power Renewal and Replacement Fund is a sinking fund for the Portland Hydroelectric Project (PHP). It provides resources for the repair and replacement of major equipment and facilities that become damaged or worn out. The existence of this fund is required by the PHP power sales agreement between the City and Portland General Electric (PGE), and its assets are held by the trustee for the City's Hydroelectric Power Revenue Refunding Bonds.

**Managing Agency** 

Portland Water Bureau

## Significant Changes From Prior Year

In FY 2013-14, this fund has budgeted \$125,000 for cash transfers to the Hydroelectric Power Operating Fund to pay for ongoing repair and replacements of the PHP facilities.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	458,856	786,639	550,000	700,000	750,000	
Intergovernmental	0	9,295	0	0	0	
Bond & Note	262,122,789	0	200,000,000	205,000,000	205,000,000	
Miscellaneous	2,141,832	392,778	500,000	500,000	500,000	
Total External Revenues	264,723,477	1,188,712	201,050,000	206,200,000	206,250,000	
Fund Transfers - Revenue	14,000,000	1,676,306	13,541,749	21,700,000	21,700,000	
Total Internal Revenues	14,000,000	1,676,306	13,541,749	21,700,000	21,700,000	
Beginning Fund Balance	48,417,070	108,819,727	12,500,000	7,000,000	7,000,000	
Total Resources	327,140,547	111,684,745	227,091,749	234,900,000	234,950,000	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	908,227	0	970,000	625,000	625,000	
Contingency	0	0	109,121,749	108,275,000	108,325,000	
Fund Transfers - Expense	217,412,593	96,397,764	117,000,000	126,000,000	126,000,000	
Total Fund Expenditures	218,320,820	96,397,764	227,091,749	234,900,000	234,950,000	
Ending Fund Balance	108,819,727	15,286,981	0	0	0	
Total Requirements	327,140,547	111,684,745	227,091,749	234,900,000	234,950,000	

### **Fund Overview**

The Sewer System Construction Fund receives revenues to fund sewer system capital projects. Direct expenditures for capital projects are budgeted within the Sewer System Operating Fund and reimbursed by the Sewer System Construction Fund. The primary resources for the capital program are proceeds from the sale of sewer system revenue bonds, transfers from the Sewer System Operating Fund for cash financing of capital improvements, and line and branch charges from new sewer connections.

### **Managing Agency**

Bureau of Environmental Services

## Significant Changes From Prior Year

The beginning fund balance of \$7.0 million in FY 2013-14 reflects the depletion of the bond proceeds, necessitating another \$205.0 million of bonds issued in one or more sales throughout the year, as shown in bond and note revenues.

Charges for services increased from \$0.5 million to \$0.75 million for line and branch charges into the construction fund.

Revenues from fund transfers has increased from \$13.5 million to \$21.7 million, an increase of \$8.2 million, consisting of \$21.0 million transfer from the Sewer System Operating Fund and a \$0.7 million transfer from the Local Improvement Development Fund for a special assessment bond sale.

Miscellaneous revenues of \$0.5 million are projected to be the same as in FY 2012-13 based on estimated interest earnings rate of 0.40%.

Other cash transfer expenses of \$126.0 million reflect the reimbursement of the operating fund for CIP expenditures, which is slightly more than in FY 2012-13.

The contingency projection for FY 2013-14 is \$108.3 million which is \$0.8 million less than the FY 2012-13 Revised Budget.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Bond & Note	187,870,500	0	17,000,000	20,650,000	20,650,000	
Miscellaneous	170,649	195,710	150,000	200,000	200,000	
Total External Revenues	188,041,149	195,710	17,150,000	20,850,000	20,850,000	
Fund Transfers - Revenue	147,961,283	148,174,520	148,350,000	153,170,000	153,170,000	
Total Internal Revenues	147,961,283	148,174,520	148,350,000	153,170,000	153,170,000	
Beginning Fund Balance	2,875,607	30,846,938	30,850,000	30,850,000	30,850,000	
Total Resources	338,878,039	179,217,168	196,350,000	204,870,000	204,870,000	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	308,031,101	148,409,067	148,473,134	153,370,323	153,370,323	
Contingency	0	0	0	2,979,177	0	
Debt Service Reserves	0	0	44,870,500	48,520,500	51,499,677	
Total Fund Expenditures	308,031,101	148,409,067	193,343,634	204,870,000	204,870,000	
Ending Fund Balance	30,846,938	30,808,101	3,006,366	0	0	
Total Requirements	338,878,039	179,217,168	196,350,000	204,870,000	204,870,000	

## **Fund Overview**

The Sewer System Debt Redemption Fund pays the principal and interest on revenue bonds, notes, and state loans issued to finance sewer system improvements.

#### **Managing Agency**

Bureau of Environmental Services

# Significant Changes From Prior Year

The fund is managed on a cash basis, with cash transfers from the Sewer System Operating Fund set to maintain a \$10,000 unrestricted ending cash balance plus any restricted cash balances that are required by bond and loan covenants. The bulk of the beginning fund balance is the result of a cash reserve of \$27.9 million required by the August 2010 sale of \$450.0 million of sewer bonds. This reserve will be maintained until the bonds are fully paid off in 2035. In anticipation of the sale of another \$205.0 million of sewer bonds, another cash reserve in the amount of \$20.7 million is budgeted to be received in FY 2013-14.

Debt service expenditures for FY 2013-14 are budgeted at \$153.4 million which are paid from the following sources:

- Sewer and stormwater user charges and other revenues of the Sewer System Operating Fund;
- Cash transfers from the operating fund, totaling \$153.2 million in FY 2013-14;
   and
- Estimated interest earnings in the fund of \$0.2 million.

The total amount of sewer system debt outstanding at the beginning of FY 2013-14 is estimated to be \$830.6 million for first lien bonded debt and \$684.0 million for second lien bonded debt, notes, and loans.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	1,103,843	1,428,987	1,155,000	1,360,000	1,470,000	
Charges for Services	237,985,857	244,854,401	277,676,006	296,174,327	288,117,820	
Intergovernmental	385,657	1,037,872	550,000	316,570	316,570	
Bond & Note	1,967,292	1,267,882	0	0	0	
Miscellaneous	3,717,370	1,266,596	605,000	710,000	685,000	
Total External Revenues	245,160,019	249,855,738	279,986,006	298,560,897	290,589,390	
Fund Transfers - Revenue	247,304,432	115,219,479	124,273,130	130,200,000	130,722,000	
Interagency Revenue	2,095,050	2,363,095	2,456,048	2,218,767	1,974,667	
Total Internal Revenues	249,399,482	117,582,574	126,729,178	132,418,767	132,696,667	
Beginning Fund Balance	41,970,249	53,098,679	52,200,000	55,200,000	56,091,000	
Total Resources	536,529,750	420,536,991	458,915,184	486,179,664	479,377,057	
Requirements						
Personnel Services	53,227,326	56,564,993	57,363,809	61,785,491	57,706,791	
External Materials and Services	49,730,531	42,299,326	58,732,164	50,048,796	48,024,947	
Internal Materials and Services	38,062,635	40,413,515	41,220,979	41,024,627	38,755,932	
Capital Outlay	159,785,529	67,993,737	72,435,008	88,253,998	88,133,070	
Total Bureau Expenditures	300,806,021	207,271,571	229,751,960	241,112,912	232,620,740	
Debt Service	1,938,180	2,093,647	2,342,082	2,543,236	2,543,236	
Contingency	0	0	52,817,860	58,705,396	60,394,961	
Fund Transfers - Expense	180,686,870	169,039,558	173,803,282	183,618,120	183,618,120	
Debt Service Reserves	0	0	200,000	200,000	200,000	
Total Fund Expenditures	182,625,050	171,133,205	229,163,224	245,066,752	246,756,317	
Ending Fund Balance	53,098,679	42,132,215	0	0	0	
Total Requirements	536,529,750	420,536,991	458,915,184	486,179,664	479,377,057	

#### **Fund Overview**

The purpose of the Sewer System Operating Fund is to account for revenues and expenses associated with the development, maintenance, and operation of the City's sanitary sewer and storm drainage system. Fund resources include sewer and drainage charges, wholesale contract revenues from other governmental jurisdictions, reimbursements for services provided to other bureaus, and reimbursements from the Sewer System Construction Fund for capital expenses.

#### **Managing Agency**

Bureau of Environmental Services

# Significant Changes From Prior Year

#### Resources

The largest source of revenues are sewer rate revenues. Charges for services, which include sewer rate revenues, connection charges, wholesale contract revenues, and other miscellaneous charges, are forecast to increase to \$288.1 million in FY 2013-14. Sewer rate revenues are based upon the following assumptions: an average single family residential bill increase of 5.32%, an increase of 0.25% in the number of customer accounts, a 1.5% decrease in usage per single-family residential customer, a 0.75% decrease in multi-family and 1.0% decrease in commercial customer usage. System development charges are projected to be \$9.2 million in FY 2013-14.

## Requirements

Personnel services decreased 6.6% as compared to the FY 2013-14 Requested Budget due, in part, to \$2.0 million in PERS savings from reforms through the Oregon Legislature and \$0.9 million savings from reducing and delaying cost of living allowance increases for represented and non-represented personnel. Additionally, the Mayor's Proposed Budget eliminates 18.2 FTEs.

The external materials and services budget decreased by 18.2%, or \$10.7 million. This is primarily due to shifts from design to construction within the Capital Improvement Program (CIP).

Internal materials and services, services paid to other bureaus, decreased by \$2.4 million or 5.7%. Of the reduction, \$0.75 million was due to Portland Bureau of Transportation street sweeping program funding shifts.

Capital outlay is \$88.1 million in FY 2013-14 versus \$72.4 million in the FY 2012-13 Revised Budget, including increases of \$18.1 million as noted above in the CIP program.

#### Cash Transfers and General Fund Overhead

General Fund overhead decreased \$0.5 million, or 7.2%, reflecting lower than anticipated budgeted costs.

Cash transfers to other funds are budgeted at \$183.6 million for FY 2013-14, compared to the FY 2012-13 Revised Budget of \$173.8 million.

Transfers to the Sewer System Debt Redemption Fund are budgeted at \$153.2 million, up \$4.8 million from the FY 2012-13 Revised Budget of \$148.4 million, due to the anticipated sale of sewer revenue bonds in September 2013.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopte FY 2013-
Resources						
Bond & Note	5,000,000	16,700,000	0	0	0	
Miscellaneous	399,078	191,771	50,000	15,000	15,000	
Total External Revenues	5,399,078	16,891,771	50,000	15,000	15,000	
Fund Transfers - Revenue	0	0	5,000,000	2,000,000	2,000,000	
Total Internal Revenues	0	0	5,000,000	2,000,000	2,000,000	
Beginning Fund Balance	38,090,996	13,990,074	12,300,000	2,000,000	2,000,000	
Total Resources	43,490,074	30,881,845	17,350,000	4,015,000	4,015,000	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Contingency	0	0	10,350,000	15,000	15,000	
Fund Transfers - Expense	29,500,000	18,525,000	7,000,000	4,000,000	4,000,000	
Total Fund Expenditures	29,500,000	18,525,000	17,350,000	4,015,000	4,015,000	
Ending Fund Balance	13,990,074	12,356,845	0	0	0	
Total Requirements	43,490,074	30,881,845	17,350,000	4,015,000	4,015,000	

## **Fund Overview**

The Sewer System Rate Stabilization Fund was created in 1987 to enable the Bureau of Environmental Services to smooth the forecasted rate increases by managing fluctuations in sewer system revenues over several years. To calculate debt service coverage ratios, the bureau's master bond ordinance requires that transfers from Sewer System Operating Fund to this fund are treated as operating expenditures; similarly, transfers to the operating fund from this fund are treated as operating revenues.

Fund balances were built up from FY 2002-03 through FY 2007-08 and will be drawn down through FY 2013-14 to offset rate increases associated with financing construction of the Eastside Combined Sewer Overflow Tunnel. Fund balances will be drawn down only slightly in FY 2013-14.

#### **Managing Agency**

Bureau of Environmental Services

# Significant Changes From Prior Year

Fund transfer revenues are budgeted at \$2.0 million from the Sewer System Operating Fund, if the need arises to adjust debt coverage at year end.

Miscellaneous revenues, which are comprised of interest earnings, are budgeted at \$15,000 due to minimal cash balances, as shown in the FY 2013-14 beginning fund balance of \$2.0 million.

Fund transfer expenses are budgeted at \$4.0 million to meet debt coverage if the need arises.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	2,511,304	2,572,010	2,553,721	2,858,230	2,858,230	
Charges for Services	1,571,893	1,668,266	1,975,099	2,224,620	2,224,620	
Intergovernmental	23,838	111,589	26,000	26,000	26,000	
Miscellaneous	87,684	114,109	44,580	44,177	44,177	
Total External Revenues	4,194,719	4,465,974	4,599,400	5,153,027	5,153,027	
Fund Transfers - Revenue	1,628	70,787	4,348	0	0	
Interagency Revenue	19,399	9,305	13,500	10,000	10,000	
Total Internal Revenues	21,027	80,092	17,848	10,000	10,000	
Beginning Fund Balance	3,923,255	3,469,605	2,322,541	1,708,207	1,708,207	
Total Resources	8,139,001	8,015,671	6,939,789	6,871,234	6,871,234	
Requirements						
Personnel Services	1,543,160	2,064,858	2,122,078	2,360,085	2,360,085	
External Materials and Services	1,563,065	1,429,992	1,613,404	958,600	958,600	
Internal Materials and Services	1,300,216	1,484,275	1,577,772	1,611,533	1,606,410	
Total Bureau Expenditures	4,406,441	4,979,125	5,313,254	4,930,218	4,925,095	
Debt Service	35,788	38,675	43,601	48,486	48,486	
Contingency	0	0	1,290,773	0	4,371	
Fund Transfers - Expense	227,167	148,316	155,783	206,699	206,699	
Total Fund Expenditures	262,955	186,991	1,490,157	255,185	259,556	
Ending Fund Balance	3,469,605	2,849,555	136,378	1,685,831	1,686,583	
Total Requirements	8,139,001	8,015,671	6,939,789	6,871,234	6,871,234	

# **Fund Overview**

The Solid Waste Management Fund accounts for expenses and revenues associated with the City's oversight of solid waste collection activities in Portland and the City's efforts to reduce the amount of solid waste, increase recycling, and increase composting. The fund supports the Bureau of Planning and Sustainability's Solid Waste and Recycling, Green Building and Sustainable Education and Assistance programs. Revenue sources for the Solid Waste Management Fund include residential franchise, commercial tonnage, and permit fees.

# **Managing Agency**

Bureau of Planning & Sustainability

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Bond & Note	5,659,388	0	15,874,000	0	0	
Miscellaneous	82,643	102,489	60,374	118,483	118,227	
Total External Revenues	5,742,031	102,489	15,934,374	118,483	118,227	
Fund Transfers - Revenue	28,204,443	31,477,992	36,979,708	47,030,479	45,610,083	
Total Internal Revenues	28,204,443	31,477,992	36,979,708	47,030,479	45,610,083	
Beginning Fund Balance	10,321,463	15,961,566	15,961,566	31,552,598	31,552,598	
Total Resources	44,267,937	47,542,047	68,875,648	78,701,560	77,280,908	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	28,306,371	31,576,394	37,040,082	47,148,963	45,728,310	
Debt Service Reserves	0	0	31,835,566	31,471,038	31,394,535	
Total Fund Expenditures	28,306,371	31,576,394	68,875,648	78,620,001	77,122,845	
Ending Fund Balance	15,961,566	15,965,653	0	81,559	158,063	
Total Requirements	44,267,937	47,542,047	68,875,648	78,701,560	77,280,908	

# **Fund Overview**

The Water Bond Sinking Fund pays for principal and interest on revenue bonds issued to finance water system improvements. The bond reserve accounts are maintained in the Water Bond Sinking Fund.

**Managing Agency** 

Portland Water Bureau

# Significant Changes From Prior Year

The primary fund resource in FY 2013-14 is a transfer from the Water Fund of \$45.3 million. The Water Construction Fund will provide a \$265,000 transfer of interest earnings on bond proceeds. Additionally, interest in the fund will total \$118,000.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	1,321,238	1,505,931	1,250,000	1,500,000	1,500,000	
Bond & Note	80,874,885	0	198,211,000	0	0	
Miscellaneous	347,358	381,542	182,518	284,676	285,805	
Total External Revenues	82,543,481	1,887,473	199,643,518	1,784,676	1,785,805	
Fund Transfers - Revenue	26,955,364	19,648,305	22,686,865	37,240,995	36,402,947	
Total Internal Revenues	26,955,364	19,648,305	22,686,865	37,240,995	36,402,947	
Beginning Fund Balance	40,592,066	79,825,629	9,178,331	119,662,271	119,662,271	
Total Resources	150,090,911	101,361,407	231,508,714	158,687,942	157,851,023	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Contingency	0	0	23,065,950	18,620,921	18,832,873	
Fund Transfers - Expense	70,265,282	91,996,927	150,559,296	140,067,021	139,018,150	
Total Fund Expenditures	70,265,282	91,996,927	173,625,246	158,687,942	157,851,023	
Ending Fund Balance	79,825,629	9,364,480	57,883,468	0	0	
Total Requirements	150,090,911	101,361,407	231,508,714	158,687,942	157,851,023	

## **Fund Overview**

The Water Construction Fund is the capital fund of the Water Bureau. This fund pays for equipment and capital expenditures for the water system, including ongoing capital repair and replacement, enhancements, and large and nonrecurring additions to the system.

**Managing Agency** 

Portland Water Bureau

# Significant Changes From Prior Year

#### **Bond Sales**

The Water Bureau sold \$168.6 million of Water Revenue bonds in Spring 2013 for capital projects. The majority of those funds (\$119 million) will be carried over in FY 2013-14 to fund capital expenditures. The operating fund will transfer \$36.4 million for capital projects.

The Water Construction Fund will reimburse the Water Fund for direct capital costs (\$121 million), capitalized overhead (\$16.9 million) and capitalized interest (\$814,000). The Water Construction Fund will also transfer \$265,000 to the Water Bond Sinking Fund for interest earned.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	113,361,711	123,098,406	136,097,583	142,521,606	137,907,766	
Intergovernmental	555,794	1,106,998	476,000	566,000	566,000	
Bond & Note	0	282,195	433,817	0	0	
Miscellaneous	978,230	1,630,357	1,078,863	1,124,497	1,129,083	
Total External Revenues	114,895,735	126,117,956	138,086,263	144,212,103	139,602,849	
Fund Transfers - Revenue	70,005,926	91,921,338	152,173,302	139,802,345	139,077,345	
Interagency Revenue	3,098,768	3,101,363	3,360,583	3,216,423	3,132,550	
Total Internal Revenues	73,104,694	95,022,701	155,533,885	143,018,768	142,209,895	
Beginning Fund Balance	49,769,357	48,311,400	49,003,411	67,884,490	67,884,490	
Total Resources	237,769,786	269,452,057	342,623,559	355,115,361	349,697,234	
Requirements						
Personnel Services	56,121,938	57,370,003	63,430,368	65,293,839	61,479,933	
External Materials and Services	17,888,504	15,021,912	25,880,499	24,020,002	23,385,399	
Internal Materials and Services	18,311,283	20,523,175	20,630,952	20,518,126	19,635,576	
Capital Outlay	31,758,208	47,784,984	114,705,552	99,230,853	98,615,853	
Total Bureau Expenditures	124,079,933	140,700,074	224,647,371	209,062,820	203,116,761	
Debt Service	2,479,779	2,065,543	3,458,037	2,589,497	2,589,497	
Contingency	0	0	50,833,694	54,243,809	56,791,314	
Fund Transfers - Expense	62,898,674	60,100,967	63,684,457	89,219,235	87,199,662	
Total Fund Expenditures	65,378,453	62,166,510	117,976,188	146,052,541	146,580,473	
Ending Fund Balance	48,311,400	66,585,473	0	0	0	
Total Requirements	237,769,786	269,452,057	342,623,559	355,115,361	349,697,234	

# **Fund Overview**

The Water Fund is the operating fund of the Portland Water Bureau. With the exception of debt service, all expenditures are made from this fund for operation, maintenance, and capital assets. Receipts from the sale of water are the primary revenue source for the Water Fund.

**Managing Agency** 

Portland Water Bureau

# Significant Changes From Prior Year

FY 2013-14 Water Fund resources increased by approximately \$7.1 million from the FY 2012-13 Revised Budget. The changes in resources include increases in water sales and other water fees and charges of \$1.5 million and beginning fund balance of \$18.9 million. Decreases from prior year include \$13.1 million for cash transfers and \$225,000 in interagency revenues. The cash transfer decrease from the Water Construction Fund is a result of lower capital expenditures. Water sales receipts are the primary revenue source for the Water Fund.

Total bureau expenditures are lower than the FY 2012-13 Revised Budget due to budget reductions. Cash transfers increased \$23.5 million for cash financed capital and transfer for debt service payment.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	65,583	65,583	
Miscellaneous	0	0	0	148	148	
Total External Revenues	0	0	0	65,731	65,731	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	65,731	65,731	
Requirements						
External Materials and Services	0	0	0	65,731	65,731	
Total Bureau Expenditures	0	0	0	65,731	65,731	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	65,731	65,731	

# **Fund Overview**

The 42nd Avenue Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	66,269	66,269	
Miscellaneous	0	0	0	149	149	
Total External Revenues	0	0	0	66,418	66,418	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	66,418	66,418	
Requirements						
External Materials and Services	0	0	0	66,418	66,418	
Total Bureau Expenditures	0	0	0	66,418	66,418	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	66,418	66,418	

# **Fund Overview**

The 82nd Ave & Division Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	5,544,542	5,465,353	5,394,255	5,735,601	5,735,601	
Miscellaneous	25,209	23,304	38,835	18,876	18,876	
Total External Revenues	5,569,751	5,488,657	5,433,090	5,754,477	5,754,477	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	1,594,342	1,576,393	1,666,715	1,388,395	1,388,395	
Total Resources	7,164,093	7,065,050	7,099,805	7,142,872	7,142,872	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	5,587,700	5,591,500	5,584,500	5,588,750	5,588,750	
Debt Service Reserves	0	0	1,515,305	1,554,122	1,554,122	
Total Fund Expenditures	5,587,700	5,591,500	7,099,805	7,142,872	7,142,872	
Ending Fund Balance	1,576,393	1,473,550	0	0	0	
Total Requirements	7,164,093	7,065,050	7,099,805	7,142,872	7,142,872	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Airport Way Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The final long term bonds were issued for this urban renewal area in September of 2005. The final scheduled payment on all bonds issued for this district is scheduled for June of 2020.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	8,994,387	12,930,066	12,430,066	
Miscellaneous	0	0	0	58,000	58,000	
Total External Revenues	0	0	8,994,387	12,988,066	12,488,066	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	8,231,887	7,633,887	
Total Resources	0	0	8,994,387	21,219,953	20,121,953	
Requirements						
External Materials and Services	0	0	0	8,230,000	7,630,000	
Internal Materials and Services	0	0	762,500	551,400	551,400	
Total Bureau Expenditures	0	0	762,500	8,781,400	8,181,400	
Contingency	0	0	8,231,887	12,438,553	11,940,553	
Total Fund Expenditures	0	0	8,231,887	12,438,553	11,940,553	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	8,994,387	21,219,953	20,121,953	

## **Fund Overview**

The Arts Education and Access Fund receives revenues from a tax of \$35 imposed on each income-earning resident of the City of Portland who is at least eighteen years old. Households at or under the Federal Poverty level are exempt. Net revenues will be distributed from this fund to the six school districts located in the City (Portland Public, David Douglas, Centennial, Parkrose, Reynolds and Riverdale) and the Regional Arts and Culture Council, in accordance with their respective intergovernmental agreement or contract.

Resolution # 36939 referred to Portland voters' changes to City Code Title 3 and Title 5 regarding the proposed arts education and access income tax (Arts Tax). In the General Election on November 6, 2012, voters passed the Measure amending City Code. Funds shall first be distributed to the School Districts for the purpose of hiring certified arts or music education teachers for Kindergarten through 5th grade (K-5). Distribution shall be based on a ratio of one teacher for every 500 K-5 students or a pro rata basis for less than 500 students attending a school. Any funds remaining after distribution to the School Districts shall be distributed to the Regional Arts and Culture Council (RACC). Up to 95% of the funds distributed to RACC shall be for grants to support non-profit Portland arts organizations. A minimum of 5% of the funds distributed to RACC shall be for grants to schools and non-profit organizations that will give access to high-quality arts experiences to K-12th grade students with particular emphasis on programs directed to underserved communities.

The Revenue Bureau manages the Arts Education and Access Fund, administers the collection of the Arts Tax, and charges the fund an administrative fee for services.

#### **Managing Agency**

Office of Management and Finance, Revenue Bureau

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	530	2,620	1,000	1,000	1,000	
Total External Revenues	530	2,620	1,000	1,000	1,000	
Fund Transfers - Revenue	0	0	81	28	28	
Total Internal Revenues	0	0	81	28	28	
Beginning Fund Balance	79,842	79,013	78,060	79,053	79,053	
Total Resources	80,372	81,633	79,141	80,081	80,081	
Requirements						
Internal Materials and Services	1,321	1,532	1,510	1,643	1,531	
Total Bureau Expenditures	1,321	1,532	1,510	1,643	1,531	
Contingency	0	0	4	78,438	78,550	
Fund Transfers - Expense	38	41	0	0	0	
Total Fund Expenditures	38	41	4	78,438	78,550	
Ending Fund Balance	79,013	80,060	77,627	0	0	
Total Requirements	80,372	81,633	79,141	80,081	80,081	

# **Fund Overview**

The Assessment Collection Fund is largely inactive, with a minimal number of accounting transactions being posted to the fund. The City Charter allows for replenishment of this fund by selling up to \$1.5 million in bonds. Those resources would then be used to pay off delinquent accounts in other funds. Collection activity on the delinquent liens, up to and including foreclosure, would then be handled by the fund.

**Managing Agency** 

Office of the City Auditor

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Bond & Note	1,500,000	1,502,512	0	0	0	
Miscellaneous	8,763,058	8,827,355	8,057,429	7,499,887	7,499,887	
Total External Revenues	10,263,058	10,329,867	8,057,429	7,499,887	7,499,887	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	15,019,240	11,871,718	12,254,134	14,668,389	14,668,389	
Total Resources	25,282,298	22,201,585	20,311,563	22,168,276	22,168,276	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	9,910,580	7,426,352	7,299,992	6,948,717	6,948,717	
Fund Transfers - Expense	3,500,000	0	0	0	0	
Debt Service Reserves	0	0	13,011,571	15,219,559	15,219,559	
Total Fund Expenditures	13,410,580	7,426,352	20,311,563	22,168,276	22,168,276	
Ending Fund Balance	11,871,718	14,775,233	0	0	0	
Total Requirements	25,282,298	22,201,585	20,311,563	22,168,276	22,168,276	

# **Fund Overview**

The Bancroft Bond Interest and Sinking Fund is used to achieve a proper matching of revenues and expenditures related to financing public infrastructure improvements requested by property owners. Specifically, this fund accounts for resources and the allocation thereof, to pay principal and interest on outstanding indebtedness related to financing these improvements.

Managing Agency Office of the

Office of the City Auditor

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	5,299,121	5,273,181	5,224,146	5,745,319	5,745,319	
Bond & Note	62,049,766	0	0	0	0	
Miscellaneous	25,716	26,559	24,007	23,481	23,481	
Total External Revenues	67,374,603	5,299,740	5,248,153	5,768,800	5,768,800	
Fund Transfers - Revenue	0	0	10,000	0	0	
Total Internal Revenues	0	0	10,000	0	0	
Beginning Fund Balance	2,194,143	2,578,551	2,568,287	2,405,863	2,405,863	
Total Resources	69,568,746	7,878,291	7,826,440	8,174,663	8,174,663	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	66,990,195	5,310,005	5,420,577	5,768,800	5,768,800	
Debt Service Reserves	0	0	2,405,863	2,405,863	2,405,863	
Total Fund Expenditures	66,990,195	5,310,005	7,826,440	8,174,663	8,174,663	
Ending Fund Balance	2,578,551	2,568,286	0	0	0	
Total Requirements	69,568,746	7,878,291	7,826,440	8,174,663	8,174,663	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Central Eastside Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

# **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	12,852,484	10,785,913	9,834,626	8,652,748	8,652,748	
Miscellaneous	76,900	40,562	0	0	0	
Total External Revenues	12,929,384	10,826,475	9,834,626	8,652,748	8,652,748	
Fund Transfers - Revenue	0	5,683	1,456	0	0	
Total Internal Revenues	0	5,683	1,456	0	0	
Beginning Fund Balance	6,726,950	4,235,855	219,449	1,000,000	1,000,000	
Total Resources	19,656,334	15,068,013	10,055,531	9,652,748	9,652,748	
Requirements						
Personnel Services	432,741	452,082	441,768	469,451	469,451	
External Materials and Services	14,921,746	13,538,623	9,546,584	9,120,869	9,120,869	
Internal Materials and Services	40,992	36,843	38,138	37,428	34,862	
Total Bureau Expenditures	15,395,479	14,027,548	10,026,490	9,627,748	9,625,182	
Contingency	0	0	4,041	0	2,566	
Fund Transfers - Expense	25,000	25,000	25,000	25,000	25,000	
Total Fund Expenditures	25,000	25,000	29,041	25,000	27,566	
Ending Fund Balance	4,235,855	1,015,465	0	0	0	
Total Requirements	19,656,334	15,068,013	10,055,531	9,652,748	9,652,748	

# **Fund Overview**

The Children's Investment Fund was established in FY 2002-03 to account for the revenues and expenditures related to the Children's Levy which was renewed by Portland voters in November 2008. The current Levy authorizes the ongoing revenue generation and operation of the Portland Children's Investment Fund through June 30, 2014.

Decisions on expenditures within the Children's Levy are made by a five-person committee and approved by City Council. All allocations must be made in conformance with the Levy language as was approved by voters.

**Managing Agency** 

Commissioner of Public Affairs

# Significant Changes from Prior Year

The revenue of the Children's Levy is expected to decline significantly again due to increased property tax compression. The decline in property values has pushed a large number of properties up against Measure 5 property tax limitations. In addition, the newly established Multnomah County Library District will increase compression this year. The result is that local option levies (i.e. the Children's Levy and the Oregon Historical Society levy) have seen declines in property tax revenue.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	0	200	0	0	0	
Intergovernmental	12,654,774	5,733,959	14,278,383	10,690,504	10,690,504	
Bond & Note	0	1,400,000	0	6,000,000	6,000,000	
Miscellaneous	9,300	1,058,897	1,064,000	854,000	854,000	
Total External Revenues	12,664,074	8,193,056	15,342,383	17,544,504	17,544,504	
Fund Transfers - Revenue	20,716	0	87,322	0	0	
Total Internal Revenues	20,716	0	87,322	0	0	
Beginning Fund Balance	1,576,438	1,143,733	0	0	0	
Total Resources	14,261,228	9,336,789	15,429,705	17,544,504	17,544,504	
Requirements						
Personnel Services	2,069,619	1,481,959	1,606,224	1,194,904	1,194,904	
External Materials and Services	8,626,024	7,306,133	12,011,706	14,482,811	14,482,811	
Internal Materials and Services	1,870,304	95,959	30,000	30,000	30,000	
Total Bureau Expenditures	12,565,947	8,884,051	13,647,930	15,707,715	15,707,715	
Debt Service	551,548	405,547	495,000	495,000	495,000	
Contingency	0	0	1,286,775	1,341,789	1,341,789	
Total Fund Expenditures	551,548	405,547	1,781,775	1,836,789	1,836,789	
Ending Fund Balance	1,143,733	47,191	0	0	0	
Total Requirements	14,261,228	9,336,789	15,429,705	17,544,504	17,544,504	

# **Fund Overview**

#### Revenues

The Community Development Block Grant (CDBG) Fund accounts for the City's CDBG entitlement from the United States Department of Housing and Urban Development (HUD), loan repayments, lien payments, revenue generated from CDBG-funded activities, carryover funds from prior years, private leveraged resources, and interest and repayments for float activities.

#### Structure

This fund is an annual entitlement grant fund that is reimbursed by the federal government for actual expenditures less any program income received. Because requests for reimbursement cannot exceed expenditures less program income, the fund will not have an ending balance. Effective with the affordable housing transition from the Portland Development Commission (PDC) to the Portland Housing Bureau (PHB), the bureau began processing CDBG loan activity directly. This includes processing loan disbursements, recording loan receivables, and receipting loan repayment program income.

#### Carryover

Entitlement appropriations remaining at the end of the fiscal year are carried over in the fall supplemental budget process of the following fiscal year. The supplemental budget includes obligated carryover, appropriation for projects that have been authorized and budgeted in the prior year, and carryover appropriation for expanded projects or new requests.

#### **Managing Agency**

Portland Housing Bureau

# Significant Changes from Prior Year

**Federal Entitlements** 

PHB has budgeted 10% less entitlement funding for the FY 2013-14 Proposed Budget than in the FY 2012-13 Adopted Budget, as a result of federal budget reductions.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	3,131,679	3,522,932	8,412,000	9,622,500	9,622,500	
Miscellaneous	3,490	3,834	5,000	8,000	8,000	
Total External Revenues	3,135,169	3,526,766	8,417,000	9,630,500	9,630,500	
General Fund Discretionary	0	0	0	590	0	
Fund Transfers - Revenue	711	0	53	0	0	
Total Internal Revenues	711	0	53	590	0	
Beginning Fund Balance	307,035	255,981	0	0	0	
Total Resources	3,442,915	3,782,747	8,417,053	9,631,090	9,630,500	
Requirements						
External Materials and Services	3,040,781	3,394,783	8,157,313	9,339,989	9,340,032	
Internal Materials and Services	132,800	149,046	214,362	234,981	234,348	
Total Bureau Expenditures	3,173,581	3,543,829	8,371,675	9,574,970	9,574,380	
Contingency	0	0	2,028	0	0	
Fund Transfers - Expense	13,353	18,189	43,350	56,120	56,120	
Total Fund Expenditures	13,353	18,189	45,378	56,120	56,120	
Ending Fund Balance	255,981	220,729	0	0	0	
Total Requirements	3,442,915	3,782,747	8,417,053	9,631,090	9,630,500	

# **Fund Overview**

The Convention and Tourism Fund receives revenues from a 1% transient lodgings tax assessed on guests at hotels and motels within the City. Expenditures from this fund are authorized for the promotion and procurement of convention business and tourism as established by City Charter. The City currently contracts with Travel Portland, previously the Portland Oregon Visitors Association, for this service.

The Office of Management Finance - Revenue Bureau manages the Convention and Tourism Fund, administers the collection of the taxes, and charges the fund an administrative fee.

#### **Managing Agency**

Office of Management and Finance, Revenue Bureau

# Significant Changes from Prior Year

On June 20, 2012, Ordinance #185443 passed Council to create a Portland Tourism Improvement District. The Tourism Improvement District is established to enhance the promotion of Portland as a preferred destination for meetings, conventions and leisure travel. The 2% district assessment keeps Portland's lodging industry competitive with other cities. This new assessment will lead to increased revenues collected and distributed by the fund.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	10,457,662	10,081,810	9,732,977	9,173,943	9,173,943	
Bond & Note	33,036,155	63,467,090	0	0	0	
Miscellaneous	39,656	39,454	30,417	35,876	35,876	
Total External Revenues	43,533,473	73,588,354	9,763,394	9,209,819	9,209,819	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	2,871,740	2,823,857	1,880,544	3,507,948	3,507,948	
Total Resources	46,405,213	76,412,211	11,643,938	12,717,767	12,717,767	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	43,581,356	73,974,411	8,601,259	7,421,218	7,421,218	
Debt Service Reserves	0	0	3,042,679	5,296,549	5,296,549	
Total Fund Expenditures	43,581,356	73,974,411	11,643,938	12,717,767	12,717,767	
Ending Fund Balance	2,823,857	2,437,800	0	0	0	
Total Requirements	46,405,213	76,412,211	11,643,938	12,717,767	12,717,767	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Convention Center Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The final long term bonds were issued for this urban renewal area in May of 2012. The final scheduled payment on all bonds issued for this district is scheduled for June of 2025.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax

# **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	65,574	65,574	
Miscellaneous	0	0	0	148	148	
Total External Revenues	0	0	0	65,722	65,722	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	65,722	65,722	
Requirements						
External Materials and Services	0	0	0	65,722	65,722	
Total Bureau Expenditures	0	0	0	65,722	65,722	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	65,722	65,722	

# **Fund Overview**

The Cully Boulevard Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	16,275,532	21,932,150	19,748,569	22,854,164	22,854,164	
Charges for Services	6,008,539	8,293,020	7,256,665	9,057,248	8,909,147	
Intergovernmental	4,049	4,215	0	0	0	
Bond & Note	1,500,000	0	3,026,079	1,802,343	1,802,343	
Miscellaneous	1,896,427	2,277,493	1,707,875	2,229,973	2,229,973	
Total External Revenues	25,684,547	32,506,878	31,739,188	35,943,728	35,795,627	
Fund Transfers - Revenue	1,907,356	3,031,800	2,310,211	2,331,146	1,946,098	
Interagency Revenue	1,069,435	842,146	1,004,512	887,125	929,161	
Total Internal Revenues	2,976,791	3,873,946	3,314,723	3,218,271	2,875,259	
Beginning Fund Balance	2,012,806	3,711,636	6,144,097	13,177,485	13,177,485	
Total Resources	30,674,144	40,092,460	41,198,008	52,339,484	51,848,371	
Requirements						
Personnel Services	15,717,621	18,353,847	21,225,071	24,523,330	24,118,251	
External Materials and Services	635,126	964,258	3,175,645	4,189,935	4,030,243	
Internal Materials and Services	6,062,673	6,133,244	6,400,043	7,079,390	7,138,190	
Capital Outlay	7,500	3,520	65,000	0	0	
Total Bureau Expenditures	22,422,920	25,454,869	30,865,759	35,792,655	35,286,684	
Debt Service	2,182,106	2,245,529	887,336	1,009,670	1,009,670	
Contingency	0	0	5,167,135	9,589,269	9,604,127	
Fund Transfers - Expense	2,357,482	2,172,972	835,401	947,890	947,890	
Total Fund Expenditures	4,539,588	4,418,501	6,889,872	11,546,829	11,561,687	
Ending Fund Balance	3,711,636	10,219,090	3,442,377	5,000,000	5,000,000	
Total Requirements	30,674,144	40,092,460	41,198,008	52,339,484	51,848,371	

#### **Fund Overview**

The Development Services Fund accounts for all revenues and expenditures related to activities and services provided by the Bureau of Development Services.

#### **Managing Agency**

Bureau of Development Services

# Significant Changes from Prior Year

## Steadily Improving Construction Activity

Construction activity in the Portland metropolitan area is expected to experience moderate but steady growth over the next several years. Beginning in FY 2013-14, new positions are proposed to be gradually added to meet the anticipated increase in workload.

#### **Fee Changes**

The FY 2013-14 Proposed Budget includes fee increases for the following programs in FY 2013-14: Plumbing (5%), Environmental Soils (10%), Signs (2.5%), Noise (5%), Neighborhood Inspections (5%), and Land Use Services (5%). No fee increases are proposed for the following programs: Building, Mechanical, Electrical, Zoning Enforcement, Commercial Site Development, and Facilities Permit Program. A fee decrease of 10% is proposed for the Residential Site Development Program.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	69,858	69,858	
Miscellaneous	0	0	0	157	157	
Total External Revenues	0	0	0	70,015	70,015	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	70,015	70,015	
Requirements						
External Materials and Services	0	0	0	70,015	70,015	
Total Bureau Expenditures	0	0	0	70,015	70,015	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	70,015	70,015	

#### **Fund Overview**

The Division-Midway Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	1,262,351	1,262,351	
Miscellaneous	0	0	0	2,840	2,840	
Total External Revenues	0	0	0	1,265,191	1,265,191	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	1,265,191	1,265,191	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	0	0	0	1,265,191	1,265,191	
Total Fund Expenditures	0	0	0	1,265,191	1,265,191	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	1,265,191	1,265,191	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the newly created Education Urban Renewal Area. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

## **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Taxes	3,124,341	3,034,786	3,055,298	3,689,157	3,689,157	
Bond & Note	12,545,073	0	0	0	0	
Miscellaneous	4,828	9,342	6,302	8,979	8,979	
Total External Revenues	15,674,242	3,044,128	3,061,600	3,698,136	3,698,136	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	319,449	429,691	536,348	368,420	368,420	
Total Resources	15,993,691	3,473,819	3,597,948	4,066,556	4,066,556	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	15,564,000	2,937,469	3,597,948	4,066,556	4,066,556	
Total Fund Expenditures	15,564,000	2,937,469	3,597,948	4,066,556	4,066,556	
Ending Fund Balance	429,691	536,350	0	0	0	
Total Requirements	15,993,691	3,473,819	3,597,948	4,066,556	4,066,556	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Gateway Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### Managing Agency

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	1,060,568	1,015,468	860,000	860,000	860,000	
Miscellaneous	0	1,938	0	1,293	1,293	
Total External Revenues	1,060,568	1,017,406	860,000	861,293	861,293	
Fund Transfers - Revenue	0	254,335	0	0	0	
Total Internal Revenues	0	254,335	0	0	0	
Beginning Fund Balance	0	284,260	0	0	0	
Total Resources	1,060,568	1,556,001	860,000	861,293	861,293	
Requirements						
External Materials and Services	1,014	176	62,914	65,000	65,000	
Total Bureau Expenditures	1,014	176	62,914	65,000	65,000	
Debt Service	775,294	977,735	797,086	796,293	796,293	
Total Fund Expenditures	775,294	977,735	797,086	796,293	796,293	
Ending Fund Balance	284,260	578,090	0	0	0	
Total Requirements	1,060,568	1,556,001	860,000	861,293	861,293	

## **Fund Overview**

This fund reflects expenses and revenues for the City-owned Headwaters Apartment complex. The property is managed by the Portland Development Commission (PDC) through a property management firm. Tenant revenue is collected by PDC (per bond covenants) and the net income after property management and insurance costs is sent to the Portland Housing Bureau (PHB) monthly. PHB is responsible for making the semi-annual debt service payments on the bonds sold for the construction of the property with this revenue.

#### **Managing Agency**

Portland Housing Bureau

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	43	1,401	0	0	0	
Intergovernmental	6,016,099	2,432,762	6,703,356	4,887,430	4,887,430	
Bond & Note	0	246,000	0	0	0	
Miscellaneous	443	266,676	418,164	206,300	206,300	
Total External Revenues	6,016,585	2,946,839	7,121,520	5,093,730	5,093,730	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	114,040	998,925	0	0	0	
Total Resources	6,130,625	3,945,764	7,121,520	5,093,730	5,093,730	
Requirements						
Personnel Services	363,477	367,338	362,300	362,951	362,951	
External Materials and Services	4,768,223	3,578,135	6,546,886	4,719,608	4,719,608	
Total Bureau Expenditures	5,131,700	3,945,473	6,909,186	5,082,559	5,082,559	
Contingency	0	0	212,334	11,171	11,171	
Total Fund Expenditures	0	0	212,334	11,171	11,171	
Ending Fund Balance	998,925	291	0	0	0	
Total Requirements	6,130,625	3,945,764	7,121,520	5,093,730	5,093,730	

# **Fund Overview**

The HOME program is a federal entitlement program of the United States Department of Housing and Urban Development. The purpose of the grant is to assist local governments with the development of affordable housing.

# Portland HOME Consortium

The Portland HOME Consortium consists of the City of Portland, the City of Gresham, and Multnomah County. Portland is the lead partner of the consortium and is responsible for receiving and administering the HOME grant.

#### Structure

The HOME Grant Fund is reimbursed by the federal government for actual expenditures less program income. Since requests for reimbursement cannot exceed expenditures less program income, the fund will not have an ending balance. The bureau processes HOME loan activity directly. This includes processing loan disbursements, recording loan receivables, and receipting program income associated with loan repayments.

#### Carryover

Entitlement appropriations remaining at the end of the fiscal year are carried over in the fall supplemental budget process of the following fiscal year. The supplemental budget includes obligated carryover, appropriation for projects that have been authorized and budgeted in the prior year, and carryover appropriation for expanded projects or new requests.

#### Managing Agency

Portland Housing Bureau

HOME Grant Fund Fund Summary

Community Development Service Area Funds

# Significant Changes from Prior Year

#### **Entitlement**

The Portland Housing Bureau has budgeted 10% less in federal entitlement funding for the FY 2013-14 Proposed Budget than it did in the FY 2012-13 Adopted Budget. This is due to the federal government passing a budget that significantly cuts domestic discretionary spending.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	323,718	383,746	218,924	322,275	322,275	
Intergovernmental	1,786,098	214,914	138,500	139,894	139,894	
Bond & Note	4,704,000	400,000	1,531,938	0	0	
Miscellaneous	1,497,216	1,947,509	789,000	608,600	608,600	
Total External Revenues	8,311,032	2,946,169	2,678,362	1,070,769	1,070,769	
Fund Transfers - Revenue	0	3,855	0	0	0	
Interagency Revenue	46,248	0	0	0	0	
Total Internal Revenues	46,248	3,855	0	0	0	
Beginning Fund Balance	3,088,123	2,932,326	1,133,821	580,267	580,267	
Total Resources	11,445,403	5,882,350	3,812,183	1,651,036	1,651,036	
Requirements						
Personnel Services	739,062	668,830	897,748	1,009,784	1,009,784	
External Materials and Services	5,621,744	1,605,728	2,418,021	299,495	299,495	
Total Bureau Expenditures	6,360,806	2,274,558	3,315,769	1,309,279	1,309,279	
Debt Service	12,983	0	0	0	0	
Contingency	0	0	120,318	124,015	124,015	
Fund Transfers - Expense	2,139,288	322,001	376,096	217,742	217,742	
Total Fund Expenditures	2,152,271	322,001	496,414	341,757	341,757	
Ending Fund Balance	2,932,326	3,285,791	0	0	0	
Total Requirements	11,445,403	5,882,350	3,812,183	1,651,036	1,651,036	

## **Fund Overview**

The Housing Investment Fund supports the City's housing initiatives, all of which serve to develop or preserve affordable housing in Portland or help low- and moderate-income individuals to access affordable housing. These programs include the Risk Mitigation Pool, fee-supported activities (e.g., administration of City limited tax abatements and system development charge waivers), and other Portland Housing Bureau programs and activities. The bureau processes fund loan activity directly. This includes processing loan disbursements, recording loan receivables, and receipting program income associated with loan repayments.

#### **Loan Activity**

Effective with the July 1, 2010 transition of affordable housing operations from the Portland Development Commission to the City, the Portland Housing Bureau began processing loan activity directly. This includes processing loan disbursements, recording loan receivables, and receipting program income associated with loan repayments.

#### **Indirect Programs**

In addition to subfunds for the Homeless Management Information System match and Risk Mitigation Pool, the bureau also established subfunds in the fund to track the bureau's "indirect programs" as follows:

- Limited tax abatement program fees
- System development charge program fees
- Mortgage Credit Certificate program

## Carryover

Appropriations remaining at the end of the fiscal year are carried over in the fall supplemental budget process of the following fiscal year. The supplemental budget includes obligated carryover, appropriation for projects that have been authorized and budgeted in the prior year, and carryover appropriation for expanded projects or new requests.

**Managing Agency** 

Portland Housing Bureau

# Significant Changes from Prior Year

The Housing Investment Fund budget is lower in FY 2013-14 for the following two main reasons:

- Section 108 loan resources, previously budgeted in the fund, are now budgeted in the Community Development Block Grant Fund.
- Resources allocated to fund the implementation of Housing Development Software system are not included in FY 2013-14, given that the project is slated to be completed within FY 2012-13

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	12,948,522	13,955,446	14,157,024	16,849,484	16,849,484	
Bond & Note	33,637,375	46,135,000	0	0	0	
Miscellaneous	48,947	79,758	74,420	65,548	65,548	
Total External Revenues	46,634,844	60,170,204	14,231,444	16,915,032	16,915,032	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	4,201,900	6,452,973	8,488,647	6,277,870	6,277,870	
Total Resources	50,836,744	66,623,177	22,720,091	23,192,902	23,192,902	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	44,383,771	58,134,530	16,442,222	16,915,032	16,915,032	
Debt Service Reserves	0	0	6,277,869	6,277,870	6,277,870	
Total Fund Expenditures	44,383,771	58,134,530	22,720,091	23,192,902	23,192,902	
Ending Fund Balance	6,452,973	8,488,647	0	0	0	
Total Requirements	50,836,744	66,623,177	22,720,091	23,192,902	23,192,902	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Interstate Corridor Urban Renewal District. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	9,379,288	9,713,382	9,672,588	11,028,654	11,028,654	
Miscellaneous	39,123	45,523	36,629	38,004	38,004	
Total External Revenues	9,418,411	9,758,905	9,709,217	11,066,658	11,066,658	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	4,179,113	4,115,681	3,324,445	3,032,592	3,032,592	
Total Resources	13,597,524	13,874,586	13,033,662	14,099,250	14,099,250	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	9,481,843	10,550,142	10,001,070	11,066,658	11,066,658	
Debt Service Reserves	0	0	3,032,592	3,032,592	3,032,592	
Total Fund Expenditures	9,481,843	10,550,142	13,033,662	14,099,250	14,099,250	
Ending Fund Balance	4,115,681	3,324,444	0	0	0	
Total Requirements	13,597,524	13,874,586	13,033,662	14,099,250	14,099,250	

#### **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Lents Town Center Urban Renewal District. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### Managing Agency

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	868,190	954,111	779,100	789,100	789,100	
Bond & Note	9,487,181	10,329,441	22,260,953	5,053,912	16,179,912	
Miscellaneous	2,232,313	416,266	3,433,682	370,241	5,885,923	
Total External Revenues	12,587,684	11,699,818	26,473,735	6,213,253	22,854,935	
Fund Transfers - Revenue	2,788	23,022	148	0	0	
Total Internal Revenues	2,788	23,022	148	0	0	
Beginning Fund Balance	5,309,031	4,566,277	4,158,612	3,704,084	3,625,142	
Total Resources	17,899,503	16,289,117	30,632,495	9,917,337	26,480,077	
Requirements						
External Materials and Services	435,607	2,950	5,000	5,000	5,000	
Internal Materials and Services	1,248,097	1,381,078	1,398,046	1,398,404	1,389,536	
Total Bureau Expenditures	1,683,704	1,384,028	1,403,046	1,403,404	1,394,536	
Debt Service	4,937,120	2,440,975	16,747,189	3,515,849	20,067,304	
Contingency	0	0	3,800,465	3,017,215	3,037,368	
Fund Transfers - Expense	6,712,402	8,262,095	8,681,795	1,980,869	1,980,869	
Total Fund Expenditures	11,649,522	10,703,070	29,229,449	8,513,933	25,085,541	
Ending Fund Balance	4,566,277	4,202,019	0	0	0	
Total Requirements	17,899,503	16,289,117	30,632,495	9,917,337	26,480,077	

#### **Fund Overview**

The Local Improvement District Fund accounts for the activities of the Assessments, Finance & Foreclosure division of the Auditor's Office. The fund finances local infrastructure improvements. The Assessments, Finance & Foreclosure division records assessments for local improvements financed by the fund and also for sidewalk repairs, code enforcement violation fee revenue, and system development charges for Portland Parks & Recreation, the Bureau of Environmental Services, Portland Water Bureau, and the Portland Bureau of Transportation. The division provides property owners with a variety of financing mechanisms to pay off their assessments.

**Managing Agency** 

Office of the City Auditor

# Significant Changes From Prior Year

The size of the budget is primarily driven by the number of construction projects in process and under consideration at any one time. It is anticipated that the budget will increase significantly in FY 2013-14 as a result of the completion and assessment of the Portland Streetcar Loop Extension projects.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	3,181,698	1,605,304	1,595,395	1,961,950	2,022,569	
Charges for Services	1,570,319	3,938,232	4,865,799	4,865,979	4,865,979	
Miscellaneous	32,395	34,324	58,000	0	28,000	
Total External Revenues	4,784,412	5,577,860	6,519,194	6,827,929	6,916,548	
General Fund Discretionary	0	0	0	1,846	0	
Fund Transfers - Revenue	919	636	620	0	0	
Interagency Revenue	288,051	307,821	231,021	277,299	277,299	
Total Internal Revenues	288,970	308,457	231,641	279,145	277,299	
Beginning Fund Balance	6,295,607	6,555,453	2,639,324	1,308,765	1,308,765	
Total Resources	11,368,989	12,441,770	9,390,159	8,415,839	8,502,612	
Requirements						
Personnel Services	431,598	451,281	433,220	414,492	427,476	
External Materials and Services	4,282,934	4,417,971	6,826,519	6,237,202	6,254,639	
Internal Materials and Services	81,860	104,143	81,103	104,330	142,676	
Total Bureau Expenditures	4,796,392	4,973,395	7,340,842	6,756,024	6,824,791	
Contingency	0	0	673,403	1,574,381	1,592,387	
Fund Transfers - Expense	17,144	28,549	67,149	85,434	85,434	
Total Fund Expenditures	17,144	28,549	740,552	1,659,815	1,677,821	
Ending Fund Balance	6,555,453	7,439,826	1,308,765	0	0	
Total Requirements	11,368,989	12,441,770	9,390,159	8,415,839	8,502,612	

## **Fund Overview**

The Mt. Hood Cable Regulatory Fund supports the Mt. Hood Cable Regulatory Commission (MHCRC).

The MHCRC administers cable franchises and Public, Education, and Government grant programs on behalf of Portland, Fairview, Gresham, Multnomah County, Troutdale, and Wood Village. These jurisdictions provide funding for the MHCRC's administrative budget. The majority of expenditures consist of the Community Access Capital Grants and Access Corporation Capital Grants

**Managing Agency** 

Office of Management and Finance, Revenue Bureau

# Significant Changes from Prior Year

Through the successful renewal of the Comcast Cable Franchise, funds available for community technology and Institutional Network grants will double from \$1.5 million to \$3.0 million with a projected increase of grants from 30 to 60. The MHCRC plans to implement a more comprehensive and systematic evaluation of grant outcomes in order to better gauge the impact of grants. The MHCRC will also oversee implementation of renewed contracts with Portland Community Media and MetroEast Community Media for the provision of community media services.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	12,672,425	11,268,201	11,030,037	11,699,778	11,699,778	
Bond & Note	64,829,311	0	0	0	0	
Miscellaneous	53,802	60,564	50,060	48,101	48,101	
Total External Revenues	77,555,538	11,328,765	11,080,097	11,747,879	11,747,879	
Fund Transfers - Revenue	0	0	3,500	0	0	
Total Internal Revenues	0	0	3,500	0	0	
Beginning Fund Balance	3,176,256	5,358,245	5,394,418	4,965,650	4,965,650	
Total Resources	80,731,794	16,687,010	16,478,015	16,713,529	16,713,529	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	75,373,549	11,292,592	11,512,365	11,747,879	11,747,879	
Debt Service Reserves	0	0	4,965,650	4,965,650	4,965,650	
Total Fund Expenditures	75,373,549	11,292,592	16,478,015	16,713,529	16,713,529	
Ending Fund Balance	5,358,245	5,394,418	0	0	0	
Total Requirements	80,731,794	16,687,010	16,478,015	16,713,529	16,713,529	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the North Macadam Urban Renewal District. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

# **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	61,430	61,430	
Miscellaneous	0	0	0	138	138	
Total External Revenues	0	0	0	61,568	61,568	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	61,568	61,568	
Requirements						
External Materials and Services	0	0	0	61,568	61,568	
Total Bureau Expenditures	0	0	0	61,568	61,568	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	61,568	61,568	

# **Fund Overview**

The Parkrose Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	4,862,234	4,760,464	5,065,000	5,115,650	5,115,650	
Charges for Services	20,528	343	50	300	300	
Miscellaneous	3,810	2,631	3,200	2,935	2,935	
Total External Revenues	4,886,572	4,763,438	5,068,250	5,118,885	5,118,885	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	41,313	41,049	0	0	0	
Total Resources	4,927,885	4,804,487	5,068,250	5,118,885	5,118,885	
Requirements						
External Materials and Services	4,838,738	4,683,825	5,004,937	5,054,940	4,890,689	
Internal Materials and Services	48,098	80,705	63,313	63,945	63,945	
Total Bureau Expenditures	4,886,836	4,764,530	5,068,250	5,118,885	4,954,634	
Fund Transfers - Expense	0	0	0	0	164,251	
Total Fund Expenditures	0	0	0	0	164,251	
Ending Fund Balance	41,049	39,957	0	0	0	
Total Requirements	4,927,885	4,804,487	5,068,250	5,118,885	5,118,885	

#### **Fund Overview**

The Property Management License Fund receives revenue from the business property management license fee payable by property managers of properties within the two Enhanced Services Districts (Clean & Safe and Lloyd districts). This fee supports enhanced services within the two districts, primarily cleaning and security. The fund transfers payments to the Office of Management and Finance - Revenue Bureau for reimbursement of a set level of program costs.

The purpose of the program is to keep the areas within the two districts vital and attractive to businesses, shoppers, visitors, and residents.

Clean & Safe, Inc., in accordance with a management agreement with the City of Portland, provides the following services:

- Enhanced security
- Sidewalk and graffiti cleaning
- Business recruitment, retention, and marketing services in the central business district

The Lloyd Transportation Management Association provides fewer, but similar, services for the Lloyd District.

#### **Managing Agency**

Office of Management and Finance, Revenue Bureau

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	28,906,024	30,342,382	27,227,408	29,106,973	29,106,973	
Bond & Note	9,978,966	0	2,151,867	0	0	
Miscellaneous	105,524	136,036	113,744	98,387	98,387	
Total External Revenues	38,990,514	30,478,418	29,493,019	29,205,360	29,205,360	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	10,114,511	9,246,103	9,709,522	7,618,858	7,618,858	
Total Resources	49,105,025	39,724,521	39,202,541	36,824,218	36,824,218	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	39,858,922	30,014,998	30,031,123	29,205,360	29,205,360	
Debt Service Reserves	0	0	9,171,418	7,618,858	7,618,858	
Total Fund Expenditures	39,858,922	30,014,998	39,202,541	36,824,218	36,824,218	
Ending Fund Balance	9,246,103	9,709,523	0	0	0	
Total Requirements	49,105,025	39,724,521	39,202,541	36,824,218	36,824,218	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the River District Urban Renewal Area. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### Managing Agency

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	0	0	0	67,363	67,363	
Miscellaneous	0	0	0	152	152	
Total External Revenues	0	0	0	67,515	67,515	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	0	0	0	0	0	
Total Resources	0	0	0	67,515	67,515	
Requirements						
External Materials and Services	0	0	0	67,515	67,515	
Total Bureau Expenditures	0	0	0	67,515	67,515	
Total Fund Expenditures	0	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	0	0	0	67,515	67,515	

#### **Fund Overview**

The Rosewood Neighborhood Prosperity Initiative Urban Renewal Area is one of six newly created urban renewal areas under the City's Neighborhood Prosperity Initiative. This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in this urban renewal area. Specifically, this fund accounts for the allocation of resources to pay indebtedness related to improvements done in accordance with the urban renewal plan.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	7,235,195	6,946,552	6,826,971	7,408,983	7,408,983	
Bond & Note	2,585,000	0	0	0	0	
Miscellaneous	74,843	71,364	102,520	54,404	54,404	
Total External Revenues	9,895,038	7,017,916	6,929,491	7,463,387	7,463,387	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	8,638,966	8,758,685	8,427,419	8,470,739	8,470,739	
Total Resources	18,534,004	15,776,601	15,356,910	15,934,126	15,934,126	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	9,775,319	7,172,215	7,053,185	7,184,836	7,184,836	
Debt Service Reserves	0	0	8,303,725	8,749,290	8,749,290	
Total Fund Expenditures	9,775,319	7,172,215	15,356,910	15,934,126	15,934,126	
Ending Fund Balance	8,758,685	8,604,386	0	0	0	
Total Requirements	18,534,004	15,776,601	15,356,910	15,934,126	15,934,126	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the South Park Blocks Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The final long term bonds were issued for this urban renewal area in July 2008. The final scheduled payment on all bonds issued for this urban renewal area is scheduled for June of 2024.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### Managing Agency

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	31,776	15,623	0	0	0	
Intergovernmental	30,406,693	40,117,097	35,251,482	27,596,979	27,596,979	
Bond & Note	0	0	1,770,760	0	0	
Miscellaneous	6,739,089	9,174,758	5,322,612	2,909,800	2,909,800	
Total External Revenues	37,177,558	49,307,478	42,344,854	30,506,779	30,506,779	
Fund Transfers - Revenue	2,118,572	0	0	0	0	
Total Internal Revenues	2,118,572	0	0	0	0	
Beginning Fund Balance	347,833	2,290,667	3,629,820	0	0	
Total Resources	39,643,963	51,598,145	45,974,674	30,506,779	30,506,779	
Requirements						
Personnel Services	2,097,702	1,822,427	1,681,377	2,382,762	2,382,762	
External Materials and Services	33,805,471	43,251,449	42,342,787	26,268,143	26,268,143	
Internal Materials and Services	1,450,123	1,034,895	702,234	903,062	903,062	
Total Bureau Expenditures	37,353,296	46,108,771	44,726,398	29,553,967	29,553,967	
Debt Service	0	15,000	0	0	0	
Contingency	0	0	664,041	83,073	83,073	
Fund Transfers - Expense	0	73,744	584,235	869,739	869,739	
Total Fund Expenditures	0	88,744	1,248,276	952,812	952,812	
Ending Fund Balance	2,290,667	5,400,630	0	0	0	
Total Requirements	39,643,963	51,598,145	45,974,674	30,506,779	30,506,779	

## **Fund Overview**

The Tax Increment Financing (TIF) Reimbursement Fund accounts for the reimbursement of housing-related costs that are funded from tax increment proceeds in the various Portland Development Commission (PDC) urban renewal areas. Eligible costs will be incurred by the Portland Housing Bureau for each individual urban renewal area and then reimbursed by PDC. The bureau processes loan activity directly. This includes processing loan disbursements, recording loan receivables, and receipting program income associated with loan repayments. TIF affordable housing program income is netted from TIF reimbursements from PDC.

#### Carryover

Appropriations remaining at the end of the fiscal year are carried over in the Fall supplemental budget process of the following fiscal year. The supplemental budget includes obligated carryover, appropriation for projects that have been authorized and budgeted in the prior year, and carryover appropriation for expanded projects or new requests.

## **Managing Agency**

Portland Housing Bureau

# Significant Changes from Prior Year

#### **Education URA**

During FY 2012-13, a subfund was established to track affordable housing resources and activities associated with the newly-established Education urban renewal area in southwest Portland.

#### 30% Set Aside Policy Renewal

In October 2011, Council passed the renewal of the 30% TIF set-aside policy, the City policy that dedicates a portion of TIF resources to affordable housing investment. Updates were made to the calculation of the set-aside funds. Previously the calculation was expenditure-based. The calculation is now revenue-based using a blended methodology that includes actual expenditures from 2006-2012 and forecasted bond revenue from 2012 - 2015. Program income now remains with the agency where it was generated and staffing and overhead costs are included within set-aside calculations.

#### Decline in TIF Resources

Due to the combined impact of expiring urban renewal districts and growth in property values that is weaker than previously forecasted, the fund is projecting a decline in available TIF resources for affordable housing over the next three to five years.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	10,323,097	9,933,755	9,170,927	9,797,495	9,797,495	
Bond & Note	0	33,398,972	0	0	0	
Miscellaneous	70,798	67,965	62,952	52,577	52,577	
Total External Revenues	10,393,895	43,400,692	9,233,879	9,850,072	9,850,072	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	6,894,768	7,092,502	6,860,382	6,907,079	6,907,079	
Total Resources	17,288,663	50,493,194	16,094,261	16,757,151	16,757,151	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	10,196,161	43,132,190	9,592,843	9,481,099	9,481,099	
Debt Service Reserves	0	0	6,501,418	7,276,052	7,276,052	
Total Fund Expenditures	10,196,161	43,132,190	16,094,261	16,757,151	16,757,151	
Ending Fund Balance	7,092,502	7,361,004	0	0	0	
Total Requirements	17,288,663	50,493,194	16,094,261	16,757,151	16,757,151	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Downtown Waterfront Urban Renewal District. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district. The final long term bonds were issued for this district in April of 2008 with the final payment scheduled for June of 2024.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Taxes	1,135,621	737,897	705,701	716,203	716,203	
Miscellaneous	4,576	4,394	1,456	1,562	1,562	
Total External Revenues	1,140,197	742,291	707,157	717,765	717,765	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	82,450	222,618	28,882	0	0	
Total Resources	1,222,647	964,909	736,039	717,765	717,765	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	1,000,029	936,027	736,039	717,765	717,765	
Total Fund Expenditures	1,000,029	936,027	736,039	717,765	717,765	
Ending Fund Balance	222,618	28,882	0	0	0	
Total Requirements	1,222,647	964,909	736,039	717,765	717,765	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Willamette Industrial Urban Renewal District. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The Portland Development Commission serves as the City's agent for developing and managing urban renewal districts. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

# **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Bond & Note	0	1,673,047	0	0	0	
Miscellaneous	45	6,315	0	0	0	
Total External Revenues	45	1,679,362	0	0	0	
Fund Transfers - Revenue	1,071,574	1,061,972	2,829,951	2,824,145	2,824,145	
Total Internal Revenues	1,071,574	1,061,972	2,829,951	2,824,145	2,824,145	
Beginning Fund Balance	4,532	4,577	0	0	0	
Total Resources	1,076,151	2,745,911	2,829,951	2,824,145	2,824,145	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	1,071,574	1,071,491	2,829,951	2,824,145	2,824,145	
Total Fund Expenditures	1,071,574	1,071,491	2,829,951	2,824,145	2,824,145	
Ending Fund Balance	4,577	1,674,420	0	0	0	
Total Requirements	1,076,151	2,745,911	2,829,951	2,824,145	2,824,145	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to the debt financing of Portland Bureau of Transportation projects. Resources primarily include gas tax revenues, which consist of the City's share of the state and county collections.

**Managing Agency** 

Portland Bureau of Transportation

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	10,931,736	11,176,290	13,421,000	13,232,100	13,107,100	
Intergovernmental	0	59,623	0	0	0	
Bond & Note	0	830,660	0	0	0	
Miscellaneous	148,882	154,776	64,891	67,485	67,485	
Total External Revenues	11,080,618	12,221,349	13,485,891	13,299,585	13,174,585	
Fund Transfers - Revenue	3,902	385	15,734	0	47,000	
Interagency Revenue	881,507	753,563	764,248	810,004	810,004	
Total Internal Revenues	885,409	753,948	779,982	810,004	857,004	
Beginning Fund Balance	9,567,626	8,267,019	6,702,488	6,448,491	6,448,491	
Total Resources	21,533,653	21,242,316	20,968,361	20,558,080	20,480,080	
Requirements						
Personnel Services	111,381	112,268	149,241	217,263	217,263	
External Materials and Services	3,267,457	3,646,447	3,088,707	3,347,723	3,347,723	
Internal Materials and Services	1,835,841	1,933,065	3,490,965	3,347,988	3,323,621	
Capital Outlay	0	1,237,749	0	0	0	
Total Bureau Expenditures	5,214,679	6,929,529	6,728,913	6,912,974	6,888,607	
Debt Service	4,622,407	4,975,375	1,875,125	1,879,125	1,879,125	
Contingency	0	0	5,956,500	6,228,143	6,299,510	
Fund Transfers - Expense	3,429,548	5,734,924	6,407,823	5,537,838	5,412,838	
Total Fund Expenditures	8,051,955	10,710,299	14,239,448	13,645,106	13,591,473	
Ending Fund Balance	8,267,019	3,602,488	0	0	0	
Total Requirements	21,533,653	21,242,316	20,968,361	20,558,080	20,480,080	

# **Fund Overview**

The Parking Facilities Fund supports the operations and maintenance of the Cityowned parking garages in the SmartPark garage system. Downtown garage facilities house 3,825 parking spaces and 71,685 square feet of commercial space. The facilities include the Third & Alder garage; Fourth & Yamhill garage; Naito & Davis garage; Tenth and Yamhill garage; O'Bryant Square garage; and First & Jefferson garage.

The Parking Facilities Fund also makes an annual transfer to the Transportation Operating Fund for operating support.

#### **Managing Agency**

Portland Bureau of Transportation

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	0	0	79,628	0	0	
Miscellaneous	1,469	1,405	300	0	0	
Total External Revenues	1,469	1,405	79,928	0	0	
Fund Transfers - Revenue	0	0	267	0	0	
Total Internal Revenues	0	0	267	0	0	
Beginning Fund Balance	219,815	220,699	222,805	0	0	
Total Resources	221,284	222,104	303,000	0	0	
Requirements						
External Materials and Services	0	0	303,000	0	0	
Total Bureau Expenditures	0	0	303,000	0	0	
Fund Transfers - Expense	585	46	0	0	0	
Total Fund Expenditures	585	46	0	0	0	
Ending Fund Balance	220,699	222,058	0	0	0	
Total Requirements	221,284	222,104	303,000	0	0	

## **Fund Overview**

The Private for Hire Transportation Safety Fund was created to provide a grant program for the purchase and replacement of cameras for Portland area taxicabs. This fund was established by Ordinance #177794 passed by Council on August 6, 2003.

The initial purchase of the cameras was funded with a one-time loan from the General Fund of \$205,000. The ongoing source of revenue for repayment of the loan and replacement funds for future camera purchases comes from an increase in taxicab and limited passenger transportation fees. The final payment to the General Fund was made in FY 2006-07. The remaining balance is overseen by the Private for Hire Transportation Review Board and will be used for future private for hire safety programs.

Managing Agency

Office of Management and Finance, Revenue Bureau

# Significant Changes from Prior Year

All funding in FY 2012-13 will be used on a final purchase of cameras. Effective FY 2013-14 this fund will close. Future camera maintenance and replacement will be the responsibility of the taxicab companies as is now the industry norm.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Licenses & Permits	2,441,625	2,820,796	1,546,496	1,996,800	2,086,800	
Charges for Services	32,239,259	37,038,022	38,719,039	39,233,338	39,633,338	
Intergovernmental	58,248,849	60,879,826	71,887,086	63,201,967	63,201,967	
Bond & Note	5,935,079	20,564,042	118,250,000	9,235,500	9,235,500	
Miscellaneous	1,801,897	3,394,964	3,456,854	3,712,548	3,222,548	
Total External Revenues	100,666,709	124,697,650	233,859,475	117,380,153	117,380,153	
Fund Transfers - Revenue	19,349,182	21,846,348	20,824,138	14,380,774	15,395,774	
Interagency Revenue	27,101,452	27,628,640	29,051,441	28,362,615	27,612,615	
Total Internal Revenues	46,450,634	49,474,988	49,875,579	42,743,389	43,008,389	
Beginning Fund Balance	5,850,439	1,925,289	19,655,548	26,011,272	26,011,272	
Total Resources	152,967,782	176,097,927	303,390,602	186,134,814	186,399,814	
Requirements						
Personnel Services	57,598,239	61,415,122	66,672,393	66,829,986	67,239,986	
External Materials and Services	49,174,892	30,712,031	152,793,365	33,237,344	34,690,858	
Internal Materials and Services	23,491,803	20,939,348	23,922,349	20,514,326	19,341,749	
Capital Outlay	6,840,673	20,912,219	32,433,106	16,294,247	18,914,247	
Total Bureau Expenditures	137,105,607	133,978,720	275,821,213	136,875,903	140,186,840	
Debt Service	8,096,933	4,986,524	6,792,715	7,111,862	7,111,862	
Contingency	0	0	11,500,188	31,288,229	28,162,292	
Fund Transfers - Expense	5,839,953	6,411,110	9,276,486	10,858,820	10,938,820	
Total Fund Expenditures	13,936,886	11,397,634	27,569,389	49,258,911	46,212,974	
Ending Fund Balance	1,925,289	30,721,573	0	0	0	
Total Requirements	152,967,782	176,097,927	303,390,602	186,134,814	186,399,814	

# **Fund Overview**

The Transportation Operating Fund accounts for all revenues and expenditures related to transportation operations, maintenance, and capital improvements for the Portland Bureau of Transportation.

External revenues include gas taxes; parking fees and fines; intergovernmental revenues from federal, state, and local sources; and cost recovery revenues (service charges, licenses, and permits). Internal revenues include reimbursement for services from other City funds and operations. The largest reimbursements are from the Bureau of Environmental Services for maintenance of the sewer system, the General Fund for streetlights and the bureau's share of utility license fees, and the Local Improvement District Fund for work associated with local improvement districts.

#### Managing Agency Portland Bureau of Transportation

# Significant Changes From Prior Year

In FY 2013-14, the Transportation Operating Fund's requirements have seen a \$1 million increase in the amount of contingency from FY 2012-13. Given the \$18.5 million in cuts to General Transportation Revenues that have been taken by the bureau in FY 2012-13 and FY 2013-14, the ability of the Bureau to respond to unforeseen weather-related events such as landslides and snow and ice and to pay for unbudgeted cost-of-living increases has been greatly reduced. To avoid the possibility of a major disruption of service, the amount of contingency has been increased.

In addition to increasing contingency, the Transportation Operating Fund is transferring \$500,000 to the Transportation Reserve Fund. This is the first transfer to this fund since FY 2009-10. In accordance with PBOT's 5-Year Financial Forecast, this transfer will continue until the Transportation Reserve Fund meets its reserve policy levels of 10% of gas tax and on-street parking revenues.

The other significant increase to fund requirements is a \$1 million increase in the Transportation Operating Fund's share of General Fund Overhead.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Bond & Note	2,494,354	2,500,000	0	0	0	
Miscellaneous	6,975	8,687	2,505	2,510	2,510	
Total External Revenues	2,501,329	2,508,687	2,505	2,510	2,510	
Fund Transfers - Revenue	0	0	0	500,000	500,000	
Total Internal Revenues	0	0	0	500,000	500,000	
Beginning Fund Balance	3,938	5,267	2,507,772	2,510,277	2,510,277	
Total Resources	2,505,267	2,513,954	2,510,277	3,012,787	3,012,787	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	2,500,000	2,500,000	0	0	0	
Contingency	0	0	2,510,277	3,012,787	3,012,787	
Total Fund Expenditures	2,500,000	2,500,000	2,510,277	3,012,787	3,012,787	
Ending Fund Balance	5,267	13,954	0	0	0	
Total Requirements	2,505,267	2,513,954	2,510,277	3,012,787	3,012,787	

## **Fund Overview**

The Transportation Reserve Fund was created in FY 1992-93 in accordance with the transportation reserve policy. The policy designates two types of reserves:

- Countercyclical reserves to maintain current service level programs or buffer the impact of major revenue interruptions, such as those caused by an economic recession. The policy sets this reserve amount at 5% of the Portland Bureau of Transportations Adopted Budget gas tax and on-street parking revenues.
- Emergency reserves to fund major one-time unexpected requirements, such as those related to a structural failure or road emergency associated with a natural disaster or event. The policy sets this reserve amount at 5% of the Portland Bureau of Transportations Adopted Budget gas tax and on-street parking revenues

Current reserves are not at the levels that the policy requires. Starting FY 2013-14, the bureau will begin transferring \$500,000 annually until the policy requirements are met.

#### **Managing Agency**

Portland Bureau of Transportation

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Taxes	8,476,203	10,709,640	10,261,553	10,346,015	10,346,015	
Miscellaneous	25,360	28,828	30,000	30,000	30,000	
Total External Revenues	8,501,563	10,738,468	10,291,553	10,376,015	10,376,015	
Fund Transfers - Revenue	15,006	0	0	0	0	
Total Internal Revenues	15,006	0	0	0	0	
Beginning Fund Balance	684,390	738,750	375,000	300,000	300,000	
Total Resources	9,200,959	11,477,218	10,666,553	10,676,015	10,676,015	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	8,462,209	10,677,890	10,666,553	10,676,015	10,676,015	
Total Fund Expenditures	8,462,209	10,677,890	10,666,553	10,676,015	10,676,015	
Ending Fund Balance	738,750	799,328	0	0	0	
Total Requirements	9,200,959	11,477,218	10,666,553	10,676,015	10,676,015	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to the financing and refinancing of general obligation bonds issued for the renovation of the City's park system and Portland fire station infrastructure.

Principal and interest on these bonds are paid from property taxes. The City is obligated to levy an annual ad valorem tax, without limitation to rate or amount, upon all property within the city sufficient to service the debt.

# **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	110,181	158,464	140,000	270,000	361,000	
Bond & Note	50,171	0	51,317	0	53,553	
Miscellaneous	793,677	1,044,363	675,000	780,000	780,000	
Total External Revenues	954,029	1,202,827	866,317	1,050,000	1,194,553	
Fund Transfers - Revenue	734,976	2,620	60,332	53,553	34,000	
Interagency Revenue	27,446,316	27,482,256	28,799,522	29,565,116	28,611,993	
Total Internal Revenues	28,181,292	27,484,876	28,859,854	29,618,669	28,645,993	
Beginning Fund Balance	18,043,488	17,699,648	19,366,106	16,951,197	17,326,273	
Total Resources	47,178,809	46,387,351	49,092,277	47,619,866	47,166,819	
Requirements						
Personnel Services	6,158,463	6,473,651	6,932,866	7,491,961	7,333,374	
External Materials and Services	10,525,152	10,828,590	11,629,062	11,942,858	11,623,052	
Internal Materials and Services	1,744,951	1,638,006	1,621,446	1,729,806	1,688,796	
Capital Outlay	9,800,120	6,868,388	11,857,772	6,467,441	6,667,441	
Total Bureau Expenditures	28,228,686	25,808,635	32,041,146	27,632,066	27,312,663	
Debt Service	269,213	290,935	1,577,994	373,737	373,737	
Contingency	0	0	14,877,269	18,673,683	18,540,039	
Fund Transfers - Expense	981,262	923,205	595,868	940,380	940,380	
Total Fund Expenditures	1,250,475	1,214,140	17,051,131	19,987,800	19,854,156	
Ending Fund Balance	17,699,648	19,364,576	0	0	0	
Total Requirements	47,178,809	46,387,351	49,092,277	47,619,866	47,166,819	

# **Fund Overview**

The CityFleet Operating Fund accounts for the revenues and expenditures associated with CityFleet's operations. CityFleet manages, acquires, modifies, services, repairs, and disposes of vehicles and equipment owned, leased, and rented by the City.

The fund's major source of revenue is service reimbursement transfers from City bureaus. Outside agencies also pay the City for vehicle maintenance services provided.

#### **Managing Agency**

Office of Management and Finance, Bureau of Internal Business Services

#### **Fund Overview**

The Business License Surcharge Fund was created to provide funding for schools within the City of Portland over a four-year period, from FY 2002-03 through FY 2005-06. Each year the appropriate surcharge rate was calculated to reach total collections for allocation to the school districts of \$38 million net of costs. Since the economy improved by FY 2004-05, collections were sufficient to allow a 0% surcharge rate for tax year 2005. The final payment to the schools on the initial surcharge approved by Council was made in June 2006.

In June 2006, Council passed an ordinance to continue the business license surcharge for tax years 2006 and 2007. The surcharge allowed additional payments of \$6 million and \$3 million to the school districts in June 2007 and June 2008, respectively.

**Managing Agency** 

Office of Management and Finance, Revenue Bureau

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	12,216	0	0	0	0	
Total External Revenues	12,216	0	0	0	0	
Fund Transfers - Revenue	689	0	0	0	0	
Total Internal Revenues	689	0	0	0	0	
Beginning Fund Balance	534,327	0	0	0	0	
Total Resources	547,232	0	0	0	0	
Requirements						
External Materials and Services	109	0	0	0	0	
Internal Materials and Services	20,000	0	0	0	0	
Total Bureau Expenditures	20,109	0	0	0	0	
Fund Transfers - Expense	527,123	0	0	0	0	
Total Fund Expenditures	527,123	0	0	0	0	
Ending Fund Balance	0	0	0	0	0	
Total Requirements	547,232	0	0	0	0	

## **Fund Overview**

The Office of the City Auditor administered the Campaign Finance Fund until its revocation in November 2010. The City Council passed Ordinance #179258 on May 18, 2005 creating this fund and a voluntary system of public campaign financing for Auditor, City Commissioner, and Mayoral elections. Candidates chose to participate in the system and received public funds after qualification.

In the November 2010 election, electors voted to discontinue the program (Measure 26-108); the remaining fund balance was distributed and the fund was closed at the end of FY 2010-11.

Managing Agency

Office of the City Auditor

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	36,920	34,639	40,000	20,000	20,000	
Total External Revenues	36,920	34,639	40,000	20,000	20,000	
Fund Transfers - Revenue	230,000	253,710	91,061	0	9,000	
Interagency Revenue	10,777,104	12,517,743	12,342,345	13,435,213	12,520,947	
Total Internal Revenues	11,007,104	12,771,453	12,433,406	13,435,213	12,529,947	
Beginning Fund Balance	4,160,895	4,059,807	4,211,030	1,560,706	1,560,706	
Total Resources	15,204,919	16,865,899	16,684,436	15,015,919	14,110,653	
Requirements						
Personnel Services	1,856,281	2,316,462	2,214,693	2,521,489	2,413,551	
External Materials and Services	974,196	1,396,195	2,432,935	1,560,335	815,273	
Internal Materials and Services	4,154,993	4,354,177	4,381,772	4,539,968	4,393,642	
Total Bureau Expenditures	6,985,470	8,066,834	9,029,400	8,621,792	7,622,466	
Debt Service	4,115,950	4,393,763	4,392,988	4,391,512	4,391,512	
Contingency	0	0	1,683,127	1,772,039	1,866,099	
Fund Transfers - Expense	43,692	200,818	1,578,921	230,576	230,576	
Total Fund Expenditures	4,159,642	4,594,581	7,655,036	6,394,127	6,488,187	
Ending Fund Balance	4,059,807	4,204,484	0	0	0	
Total Requirements	15,204,919	16,865,899	16,684,436	15,015,919	14,110,653	

# **Fund Overview**

Enterprise Business Solution (EBS) Services Fund implements, maintains, and continuously improves the City's SAP integrated resource planning system. The fund currently supports financial system users and human resources and payroll users in 28 business groups across the City.

The fund's major source of revenue is service reimbursements from City bureaus.

## **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	908,031	1,464,400	1,135,573	2,246,792	2,266,792	
Intergovernmental	1,122,827	208,542	1,159,120	0	0	
Bond & Note	62,318	29,599,761	51,317	0	53,553	
Miscellaneous	648,579	969,994	0	150,000	150,000	
Total External Revenues	2,741,755	32,242,697	2,346,010	2,396,792	2,470,345	
Fund Transfers - Revenue	4,238,699	3,947,323	4,193,724	4,428,529	4,236,643	
Interagency Revenue	22,955,247	23,474,941	25,209,276	25,452,865	24,845,271	
Total Internal Revenues	27,193,946	27,422,264	29,403,000	29,881,394	29,081,914	
Beginning Fund Balance	24,679,271	26,850,781	41,902,475	19,516,794	19,516,794	
Total Resources	54,614,972	86,515,742	73,651,485	51,794,980	51,069,053	
Requirements						
Personnel Services	3,146,224	3,465,354	3,387,930	3,613,218	3,429,149	
External Materials and Services	13,890,689	15,140,261	36,111,788	14,860,621	14,296,677	
Internal Materials and Services	2,721,079	2,669,663	4,193,003	2,830,744	2,582,819	
Capital Outlay	710,235	8,340,505	7,734,695	9,322,614	9,322,614	
Total Bureau Expenditures	20,468,227	29,615,783	51,427,416	30,627,197	29,631,259	
Debt Service	5,777,658	15,002,807	8,858,206	7,756,680	7,756,680	
Contingency	0	0	12,560,098	12,598,306	12,868,317	
Fund Transfers - Expense	1,518,306	1,464,088	805,765	812,797	812,797	
Total Fund Expenditures	7,295,964	16,466,895	22,224,069	21,167,783	21,437,794	
Ending Fund Balance	26,850,781	40,433,064	0	0	0	
Total Requirements	54,614,972	86,515,742	73,651,485	51,794,980	51,069,053	

#### **Fund Overview**

The Facilities Services Operating Fund accounts for all of the facilities-related programs and capital projects managed by the Office of Management and Finance. The fund is generally self-sufficient, requiring no direct General Fund discretionary support, however Facilities Services may request General Fund capital support on behalf of a General Fund bureau to cover project expenses specific to that bureau.

The fund's primary sources of revenue are service reimbursements from City bureaus for space rental and other services, cash transfers for costs related to City Hall, and revenues from tenants occupying City-owned space. Services include building operations and maintenance, interior space remodels and reconfigurations, janitorial services, and property and capital project management. Debt issuance is also a resource for capital projects, with the resulting principal and interest obligations generally being incorporated into the rental rates.

#### **Managing Agency**

Office of Management and Finance, Bureau of Internal Business Services

# Significant Changes from Prior Year

The variance in external materials and services between the FY 2012-13 Revised Budget and the FY 2013-14 Proposed Budget is due primarily to a carryover of approximately of \$13.9 million in the FY 2012-13 Fall Budget Monitoring Process. This carryover is funding for projects budgeted in prior year, but not completed by year end. The largest projects in this group include: The Portland Building exterior envelope restoration phase II (\$2,791,031), North Precinct roof replacement (\$2,955,681), and Walnut Park roof replacement (\$711,015).

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-1
Resources						
Miscellaneous	3,016,740	239	0	0	0	
Total External Revenues	3,016,740	239	0	0	0	
Fund Transfers - Revenue	1,773,468	1,273,149	1,434,839	1,435,044	1,435,044	
Total Internal Revenues	1,773,468	1,273,149	1,434,839	1,435,044	1,435,044	
Beginning Fund Balance	29,560	29,568	0	0	0	
Total Resources	4,819,768	1,302,956	1,434,839	1,435,044	1,435,044	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	4,790,200	1,273,149	1,434,839	1,435,044	1,435,044	
Total Fund Expenditures	4,790,200	1,273,149	1,434,839	1,435,044	1,435,044	
Ending Fund Balance	29,568	29,807	0	0	0	
Total Requirements	4,819,768	1,302,956	1,434,839	1,435,044	1,435,044	

# **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures for financing the acquisition of equipment and facilities for essential City services. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on outstanding governmental indebtedness. Debt repaid through this fund includes bonds issued to finance projects including the Clark Center, East Permanent Housing Facility, and the Housing Opportunity Bond program.

## **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	43,943,951	47,497,488	49,232,934	53,726,238	53,726,238	
Miscellaneous	454,853	980,786	4,096,066	3,425,983	3,425,983	
Total External Revenues	44,398,804	48,478,274	53,329,000	57,152,221	57,152,221	
Fund Transfers - Revenue	0	3,897	2,446	0	4,000	
Interagency Revenue	335,984	188,750	171,905	0	0	
Total Internal Revenues	335,984	192,647	174,351	0	4,000	
Beginning Fund Balance	15,705,501	17,492,185	13,020,637	11,826,754	11,826,754	
Total Resources	60,440,289	66,163,106	66,523,988	68,978,975	68,982,975	
Requirements						
Personnel Services	955,105	1,115,801	1,098,007	1,223,028	1,340,028	
External Materials and Services	40,967,800	50,623,590	51,978,948	54,129,239	54,483,979	
Internal Materials and Services	416,981	550,207	478,834	558,448	536,175	
Total Bureau Expenditures	42,339,886	52,289,598	53,555,789	55,910,715	56,360,182	
Debt Service	21,273	22,989	25,917	28,820	28,820	
Contingency	0	0	12,341,644	12,453,116	12,479,389	
Fund Transfers - Expense	586,945	829,882	600,638	586,324	114,584	
Total Fund Expenditures	608,218	852,871	12,968,199	13,068,260	12,622,793	
Ending Fund Balance	17,492,185	13,020,637	0	0	0	
Total Requirements	60,440,289	66,163,106	66,523,988	68,978,975	68,982,975	

# **Fund Overview**

The Health Insurance Operating Fund is used to pay medical, prescription and dental claims for City employees, dependents, retirees, and other participants in the City's self-insured medical and dental plans. The fund collects revenue through bureau, employee and self-pay contributions.

Health Insurance Operating Fund expenses include medical claims, dental claims, (self insured as of July 1, 2011) prescription claims, third-party administration costs, stop-loss insurance, Oregon Medical Insurance Pool assessments, miscellaneous benefits administration costs, and General Fund overhead charges. The City's benefits administration staff and related materials and services are budgeted within the fund.

The fund's reserve must be sufficient to cover Incurred But Not Reported (IBNR) claims (those claims incurred but submitted for payment in another plan year) and large claims between \$100,000 and \$350,000. Stop-loss insurance is purchased to cover large claims exceeding \$350,000. Reserves include a medical IBNR of \$4,812,804, a dental IBNR of \$267,204, medical large claims reserves of \$2,769,381, and medical contingency reserve of \$4,120,000 at a 99% confidence interval and a dental contingency reserve of \$510,000 at a 99% confidence interval. Any additional reserves are used to offset future plan increases within the Health Fund five year forecast.

#### **Managing Agency**

Office of Management and Finance, Bureau of Human Resources

# Significant Changes from Prior Year

## FY 2013-14 Assumptions

Health Insurance Operating Fund claims expenditures are projected to be \$54.3 million in FY 2012-13. Of this amount \$49.0 million are medical claims and \$5.0 million are dental. Through collective bargaining agreements, health premiums are paid 95% by the City and 5% by the employee for most plans.

The City's medical claims was expected to increase by approximately 15%, but due to plan design changes the actual increase will be approximately 8% in FY 2013-14. This increase is inclusive of prescription medications and all other administrative charges to the plan. The Oregon Medical Insurance Pool rates charged by the state to the fund continue to increase. The overall cost for FY 2012-13 is estimated to be \$514,653. The FY 2013-14 estimated costs are \$537,812. This estimate also includes new fees in Oregon for children's health and for a similar new tax in Washington.

## **Other Changes**

The City continues its efforts to moderate costs through collaboration with the City's unions seeking input on plan design, disease management, wellness, and other health plan initiatives. The City will also continue working to educate employees about preventive care, overall program costs and individual responsibility to make decisions about health and healthcare that will improve the overall health status of plan participants and will moderate expected plan increases over time.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	279,766	265,238	302,000	246,033	246,033	
Total External Revenues	279,766	265,238	302,000	246,033	246,033	
Fund Transfers - Revenue	4,656	1,043	1,968	0	0	
Interagency Revenue	10,693,426	10,616,161	9,591,935	9,361,896	9,256,106	
Total Internal Revenues	10,698,082	10,617,204	9,593,903	9,361,896	9,256,106	
Beginning Fund Balance	21,741,897	24,684,880	28,962,173	27,043,092	28,220,685	
Total Resources	32,719,745	35,567,322	38,858,076	36,651,021	37,722,824	
Requirements						
Personnel Services	1,067,885	1,121,571	1,189,754	1,199,095	1,133,018	
External Materials and Services	4,330,507	5,318,949	6,072,664	5,064,589	5,039,814	
Internal Materials and Services	2,081,474	2,465,206	2,370,418	2,481,853	2,466,783	
Total Bureau Expenditures	7,479,866	8,905,726	9,632,836	8,745,537	8,639,615	
Debt Service	50,271	54,327	61,247	68,108	68,108	
Contingency	0	0	28,919,202	27,610,432	24,517,157	
Fund Transfers - Expense	504,728	467,794	244,791	226,944	4,497,944	
Total Fund Expenditures	554,999	522,121	29,225,240	27,905,484	29,083,209	
Ending Fund Balance	24,684,880	26,139,475	0	0	0	
Total Requirements	32,719,745	35,567,322	38,858,076	36,651,021	37,722,824	

#### **Fund Overview**

The Insurance and Claims Operating Fund provides for tort, general liability, and fleet liability claims administration; management of the liability self-insurance program; management of the City's commercial insurance portfolio; and Citywide leadership in loss prevention.

Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study, which includes a projection for the current fiscal year and for the next five years.

The reserve requirement is also based on the actuarial study, which recommends a range for the reserve levels needed to cover outstanding incurred liabilities. The range is produced by calculating reserves at various confidence levels (i.e. the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the interest the fund earns on the fund balance. The Insurance and Claims Operating Fund's reserves are forecasted at a discounted confidence level of 80%. Interagency revenues are projected on a five-year basis so that, by year five, the fund will achieve at the required claims reserve amount forecast by the actuarial consultant for year five. This five-year smoothing of interagency rates is designed to mitigate large fluctuations in rates from year to year.

#### Managing Agency

Office of Management and Finance, Bureau of Internal Business Services

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	478,728	511,887	579,032	640,393	640,393	
Total External Revenues	478,728	511,887	579,032	640,393	640,393	
Fund Transfers - Revenue	2,892,959	3,086,666	3,292,364	3,596,733	3,596,733	
Total Internal Revenues	2,892,959	3,086,666	3,292,364	3,596,733	3,596,733	
Beginning Fund Balance	826,311	933,333	766,540	766,540	766,540	
Total Resources	4,197,998	4,531,886	4,637,936	5,003,666	5,003,666	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	3,126,188	3,319,196	3,721,396	4,083,552	4,083,552	
Fund Transfers - Expense	138,477	121,854	166,540	170,114	170,114	
Debt Service Reserves	0	0	750,000	750,000	750,000	
Total Fund Expenditures	3,264,665	3,441,050	4,637,936	5,003,666	5,003,666	
Ending Fund Balance	933,333	1,090,836	0	0	0	
Total Requirements	4,197,998	4,531,886	4,637,936	5,003,666	5,003,666	

# **Fund Overview**

This fund is used to achieve proper matching of revenues and expenditures related to the financing of the City's unfunded actuarial accrued pension liability as of December 31, 1997. Specifically, this fund accounts for the allocation of resources to pay approximately 20% of the principal and interest due on the Limited Tax Pension Obligation Revenue Bonds, 1999 Series C, D, and E. Excluding the Portland Development Commission, of which 100% of their share is paid from this fund, the remaining portion has been allocated and is being paid directly by the funds that benefited from the issuance of the bonds.

## **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	98,407	102,183	141,053	106,123	106,123	
Intergovernmental	1,059,003	909,057	1,280,639	1,248,013	1,248,013	
Miscellaneous	70,642	77,089	77,951	73,412	73,412	
Total External Revenues	1,228,052	1,088,329	1,499,643	1,427,548	1,427,548	
Fund Transfers - Revenue	3,262	888	3,987	0	13,000	
Interagency Revenue	5,160,638	5,466,454	5,734,045	5,456,446	5,306,652	
Total Internal Revenues	5,163,900	5,467,342	5,738,032	5,456,446	5,319,652	
Beginning Fund Balance	2,033,188	1,724,880	1,095,558	1,084,656	1,112,189	
Total Resources	8,425,140	8,280,551	8,333,233	7,968,650	7,859,389	
Requirements						
Personnel Services	1,712,271	1,815,944	1,982,042	1,949,037	1,904,232	
External Materials and Services	3,575,312	3,618,472	3,841,860	3,477,315	3,471,140	
Internal Materials and Services	684,067	717,304	704,497	707,738	685,309	
Capital Outlay	312,260	79,849	401,250	377,500	377,500	
Total Bureau Expenditures	6,283,910	6,231,569	6,929,649	6,511,590	6,438,181	
Debt Service	91,231	98,592	111,151	123,601	123,601	
Contingency	0	0	1,036,439	1,089,231	1,053,379	
Fund Transfers - Expense	325,119	833,687	255,994	244,228	244,228	
Total Fund Expenditures	416,350	932,279	1,403,584	1,457,060	1,421,208	
Ending Fund Balance	1,724,880	1,116,703	0	0	0	
Total Requirements	8,425,140	8,280,551	8,333,233	7,968,650	7,859,389	

# **Fund Overview**

The Printing & Distribution (P&D) Services Operating Fund was established to account for all of the division's revenues and expenditures. P&D provides support services to all City bureaus, Multnomah County, Portland-area State of Oregon departments, and other local governmental agencies. These services include traditional printing and binding, digital printing and prepress services, variable data printing, microfilming, reprographics and blueprints, the purchase and maintenance of copy machines, Citywide paper procurement and management, United States Postal Service (USPS) mail processing, inserting, addressing, and delivery of USPS and interoffice mail and supplies.

The main source of revenue is service reimbursement transfers from other City bureaus and funds

#### **Managing Agency**

Office of Management and Finance, Bureau of Internal Business Services

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	8,900	0	0	0	0	
Bond & Note	86,347,692	134,218,116	111,567,160	71,325,766	71,325,766	
Miscellaneous	1,245	1,327	0	0	0	
Total External Revenues	86,357,837	134,219,443	111,567,160	71,325,766	71,325,766	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	183,436	84,412	13,500	0	0	
Total Resources	86,541,273	134,303,855	111,580,660	71,325,766	71,325,766	
Requirements						
External Materials and Services	85,388,296	133,787,307	110,150,856	71,303,517	71,303,517	
Total Bureau Expenditures	85,388,296	133,787,307	110,150,856	71,303,517	71,303,517	
Debt Service	1,053,559	386,711	1,416,304	22,249	22,249	
Fund Transfers - Expense	15,006	0	13,500	0	0	
Total Fund Expenditures	1,068,565	386,711	1,429,804	22,249	22,249	
Ending Fund Balance	84,412	129,837	0	0	0	
Total Requirements	86,541,273	134,303,855	111,580,660	71,325,766	71,325,766	

# **Fund Overview**

The Special Finance and Resource Fund primarily serves as a staging area for urban renewal bond proceeds, where both the liability and revenue are recorded with the City and a transfer is made to the Portland Development Commission. The Commission is responsible for managing and expending the proceeds. In accordance with Oregon Revised Statutes, a debt service fund has been set up for each of the City's urban renewal areas. The servicing of the urban renewal debt that flows through this fund occurs in the various tax increment debt service funds.

In addition to urban renewal bonds, this fund also serves as the staging area for other City-issued bonds when necessary. There are no such bonds currently planned for FY 2013-14.

## **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Intergovernmental	6,237,523	5,616,438	5,974,720	6,261,016	6,261,016	
Bond & Note	0	78,863,152	0	0	0	
Miscellaneous	216,561	216,688	216,320	216,320	216,320	
Total External Revenues	6,454,084	84,696,278	6,191,040	6,477,336	6,477,336	
Total Internal Revenues	0	0	0	0	0	
Beginning Fund Balance	22,049	26,290	0	0	0	
Total Resources	6,476,133	84,722,568	6,191,040	6,477,336	6,477,336	
Requirements						
Total Bureau Expenditures	0	0	0	0	0	
Debt Service	6,449,843	84,679,602	6,187,040	6,473,336	6,473,336	
Debt Service Reserves	0	0	4,000	4,000	4,000	
Total Fund Expenditures	6,449,843	84,679,602	6,191,040	6,477,336	6,477,336	
Ending Fund Balance	26,290	42,966	0	0	0	
Total Requirements	6,476,133	84,722,568	6,191,040	6,477,336	6,477,336	

## **Fund Overview**

This fund is used to achieve a proper matching of revenues and expenditures related to financing special projects. Specifically, this fund accounts for the allocation of resources to pay principal and interest on bonded indebtedness related to financing of the Convention Center expansion project and improvements to the Portland Center for Performing Arts (PCPA).

The resources to pay the debt service on the Convention Center expansion and PCPA improvements are received from Multnomah County via the Visitor Facilities intergovernmental agreement.

#### **Managing Agency**

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Charges for Services	140,464	137,380	172,630	151,008	40,808	
Intergovernmental	4,787,891	4,996,960	5,648,842	5,323,561	5,231,693	
Bond & Note	64,996	88,766	41,052	0	42,842	
Miscellaneous	619,958	745,721	492,738	467,589	464,100	
Total External Revenues	5,613,309	5,968,827	6,355,262	5,942,158	5,779,443	
Fund Transfers - Revenue	1,311,525	657,357	1,275,103	42,842	287,193	
Interagency Revenue	41,348,902	43,238,677	42,667,986	42,595,826	38,404,183	
Total Internal Revenues	42,660,427	43,896,034	43,943,089	42,638,668	38,691,376	
Beginning Fund Balance	39,464,803	43,385,276	32,416,630	21,392,777	20,392,777	
Total Resources	87,738,539	93,250,137	82,714,981	69,973,603	64,863,596	
Requirements						
Personnel Services	23,680,596	24,512,966	25,738,580	26,840,588	25,201,975	
External Materials and Services	11,975,514	15,372,232	19,386,102	13,743,218	13,341,718	
Internal Materials and Services	3,887,302	3,878,618	3,819,676	3,762,502	3,677,780	
Capital Outlay	677,466	967,985	4,098,208	3,363,200	3,363,200	
Total Bureau Expenditures	40,220,878	44,731,801	53,042,566	47,709,508	45,584,673	
Debt Service	1,821,904	1,955,631	2,290,419	433,496	433,496	
Contingency	0	0	22,436,132	13,669,221	10,684,049	
Fund Transfers - Expense	2,310,481	14,146,075	4,945,864	8,161,378	8,161,378	
Total Fund Expenditures	4,132,385	16,101,706	29,672,415	22,264,095	19,278,923	
Ending Fund Balance	43,385,276	32,416,630	0	0	0	
Total Requirements	87,738,539	93,250,137	82,714,981	69,973,603	64,863,596	

# **Fund Overview**

The Technology Services Fund provides technology support to all City bureaus and some non-City agencies. Fund activities are managed by the Bureau of Technology Services.

The fund's major source of revenue is service reimbursement transfers from City bureaus and outside agencies.

#### **Managing Agency**

Office of Management and Finance, Bureau of Technology Services

# Significant Changes from Prior Year

The beginning fund balance in FY 2011-12 includes \$26.7 million in Technology Services Fund and \$16.6 million reserved for the Public Safety Systems Revitalization Program (PSSRP). An amount of \$8.7 million was transferred from the PSSRP reserve to the GO Bond Public Safety Fund for the 800 MHz Radio Replacement project in the same fiscal year. This is leading to a reduced beginning fund balance in FY 2012-13.

	Actual FY 2010-11	Actual FY 2011-12	Revised FY 2012-13	Requested FY 2013-14	Proposed FY 2013-14	Adopted FY 2013-14
Resources						
Miscellaneous	325,085	318,798	323,500	265,508	265,508	
Total External Revenues	325,085	318,798	323,500	265,508	265,508	
Fund Transfers - Revenue	1,934	1,620	4,987	0	4,000	
Interagency Revenue	3,956,657	3,659,121	3,299,921	3,475,776	3,373,632	
Total Internal Revenues	3,958,591	3,660,741	3,304,908	3,475,776	3,377,632	
Beginning Fund Balance	18,900,039	18,698,198	18,414,997	17,330,103	16,507,949	
Total Resources	23,183,715	22,677,737	22,043,405	21,071,387	20,151,089	
Requirements						
Personnel Services	929,342	999,497	1,090,493	1,066,355	1,004,025	
External Materials and Services	2,726,903	2,495,677	2,690,673	2,632,617	2,607,842	
Internal Materials and Services	554,943	584,057	666,648	703,996	684,865	
Total Bureau Expenditures	4,211,188	4,079,231	4,447,814	4,402,968	4,296,732	
Debt Service	47,022	50,816	57,289	63,707	63,707	
Contingency	0	0	17,445,027	16,456,297	15,642,235	
Fund Transfers - Expense	227,307	224,061	93,275	148,415	148,415	
Total Fund Expenditures	274,329	274,877	17,595,591	16,668,419	15,854,357	
Ending Fund Balance	18,698,198	18,323,629	0	0	0	
Total Requirements	23,183,715	22,677,737	22,043,405	21,071,387	20,151,089	

#### **Fund Overview**

The Workers' Compensation Self Insurance Operating Fund supports the City's self-insured workers' compensation program, including claims administration and Citywide loss prevention and occupational health activities aimed at minimizing occupational injury and illness from work-related infectious diseases.

Fund expenditures are primarily for claims-related payments. Projected claims are based on an independent actuarial study, which includes a projection for the current fiscal year and for the next five years.

The reserve requirement is also derived from the actuarial study, which recommends a range of reserve levels needed to cover outstanding incurred liabilities. The range of estimates is produced by calculating reserves at various confidence levels (i.e., the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the interest the fund earns on the fund balance. The fund's reserves are currently forecasted at a discounted confidence level of 75%. Interagency revenues are projected on a five-year basis so that, by year five, the fund will arrive at the required claims reserve forecasted for the fifth year by the actuary. This five-year smoothing of interagency rates is designed to mitigate large fluctuations in rates from year to year.

#### Managing Agency

Office of Management and Finance, Bureau of Internal Business Services

