



CITY OF PORTLAND
OFFICE OF MANAGEMENT AND FINANCE

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TO: City Elected Officials
CC: Ken Rust, Andrew Scott
FROM: Casey Short, Financial Planning Manager
RE: Fall Major Supplemental Budget
DATE: October 23, 2008

The FY 2008-09 fall major supplemental budget increases expenditures by a total of \$1,311,025 in two funds. State law generally requires Council to adopt a major supplemental budget when a fund's expenditures will increase by 10% or more, after excluding contingency, transfers, and fund balance. For the fall BuMP, two funds meet this criterion.

FY 2008-09 Fall Major Supplemental Budget Summary	FY 2008-09 Revised Budget (AP 3)	Increase in Expenditures	Change in Contingency or Transfers	Total Budget After Major Supplemental
Environmental Remediation Fund	\$6,632,226	\$781,075	(\$781,075)	\$6,632,226
Portland Parks Memorial Trust Fund	\$2,458,116	\$529,950	(\$18,437)	\$2,969,629
Total	\$9,090,342	\$1,311,025	(\$799,512)	\$9,601,855

The primary difference between the major supplemental budget and other BuMP actions is the requirement that the Tax Supervising and Conservation Commission (TSCC) hold a public hearing on the major supplemental budget. The TSCC hearing on this major supplemental budget is scheduled for Monday, November 10, 3:00 – 3:45 PM, in the TSCC offices on the 15th floor of the Portland Building. Your attendance is welcome but not required. A summary of the specific actions requested in each fund is below. Please do not hesitate to contact me or Stacy Jones at 823-6807 with any questions or concerns.

Environmental Remediation Fund (Fund 161)

The Bureau of Environmental Services (BES) is withdrawing \$780,000 from contingency in the Environmental Remediation Fund to pay for two major projects that were not anticipated when the FY 2008-09 budget was adopted.

- BES will oversee cleanup of a two acre brownfield parcel in the central Gateway area at an estimated cost of \$500,000. The project will be budgeted in external materials & services. The property owner is contractually obligated to reimburse BES for these costs, plus interest, when the property is sold.
- BES will work with the Office of Management & Finance – Facilities Services to make repairs to the BES warehouse at Guilds Lake. The \$280,000 estimated expense will be budgeted in internal materials & services, as Facilities Services will manage the project.

BES will also move \$40,000 from external to internal materials & services to cover additional City Attorney costs for legal work related to the Portland Harbor. In addition, the fund's \$1,075 pension obligation bond payment will shift from fund transfers to debt expense, as the fund will now make this bond payment directly.

Portland Parks Memorial Trust Fund (Fund 602)

The Parks Bureau is withdrawing funds from contingency and budgeting new revenues in the Parks Trust Fund to pay for a variety of projects that were not planned when the FY 2008-09 budget was adopted.

- \$247,478 will be withdrawn from fund contingency and transferred to the Parks Construction Fund to pay for turf replacement at Strasser Field in Delta Park.
- \$78,969 will be withdrawn from fund contingency and transferred to the Parks General Fund appropriation unit to support Project Inclusion, which makes parks services available to low-income residents at reduced cost.
- A \$100,000 donation from the Housing Authority of Portland will be used to upgrade the University Park Community Center.
- The Bureau of Development Services will reimburse Parks \$65,550 for tree inspection services provided in prior years. The payments are received in the Trust Fund because the money is used to repair trees and plant new trees over time.
- \$25,000 will be transferred from the Parks General Fund appropriation unit to be held in trust for equipment replacement at Killingsworth landfill, per City agreement with the State and Metro. Another \$8,872 will be withdrawn from fund contingency to pay Metro for equipment maintenance that has already occurred.
- \$16,000 in new private donations will be transferred to the Parks General Fund appropriation unit for SUN schools.

The Trust Fund is also recognizing \$304,963 in additional beginning fund balance. Most of the balance is carryover for projects that were not completed in FY 2007-08.