

## **Agenda No. 442**

### **REPORT**

Conduct a Proposed Use Hearing on State Shared Revenue (Hearing introduced by Mayor Wheeler)

TO: Mayor Ted Wheeler  
Commissioner Dan Ryan  
Commissioner Carmen Rubio  
Commissioner Mingus Mapps  
Commissioner Jo Ann Hardesty  
City Auditor Mary Hull Caballero

FROM: Jessica Kinard, City Budget Director

DATE: June 1, 2021

SUBJECT: Adoption of the FY 2021-22 Budget for the City of Portland  
- Conduct a Proposed Use Hearing on State Shared Revenue (Hearing)  
- Budget Documents

With this memo, the City Budget Office conveys a package of information to aid the Council in considering changes to the Approved Budget and moving to an Adopted Budget for FY 2021-22.

The package includes one resolution, three ordinances, and five attachments. Each ordinance and the resolution are either required by either local budget law or City Financial Policies.

- Attachment A: A step-by-step description of the process for consideration of and deliberation on all Council actions necessary to adopt the FY 2021-22 Budget

#### **Introduced by**

Mayor Ted Wheeler

#### **Bureau**

City Budget

#### **Prepared by**

Christina Owen

#### **Date Prepared**

June 1, 2021

#### **Requested Council Date**

June 9, 2021

#### **Requested Agenda Type**

Time Certain 2:00 pm  
3 hours 1 of 5

#### **Date Filed with Clerk**

June 1, 2021

- Resolution #1: Certifies eligibility for State Shared Revenues
- Ordinance #1: Accepts State Shared Revenues
- Ordinance #2: Adopts the budget
  - Attachment B: Descriptions of adjustments to the FY 2020-21 Approved Budget
  - Attachment C: Summary report of all adjustments by bureau and fund
  - Attachment D: Adopted Budget Notes
  - Attachment E: Appropriation Schedule
- Ordinance #3: Levies taxes

In order for staff to be adequately prepared for Council discussion and action, the City Budget Office would appreciate receiving any contemplated amendments in advance of June 8th. CBO will present these significant adjustments and budget note changes to be incorporated into the Adopted Budget subject to the vote of the Council on Wednesday June 9, 2021.

CITY BUDGET OFFICE  
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Action Taken:

Commissioners voted as follows (Yea or Nay)

Rubio -

Ryan -

Hardesty -

Mapps -

Wheeler -

**ATTACHMENT A**  
**COUNCIL SESSION**

Wednesday, June 9, 2020

Time Certain, 2:00 p.m., Council Chambers

1. Open State Shared Revenue Hearing. Council conducts a Proposed Use Hearing on State Shared Revenue.

Explanation: State law requires this action. ORS 221.770 requires municipalities to hold two separate hearings on State Shared Revenue. The first hearing on possible uses of State Shared Revenue was held on May 13, 2021. The second hearing, this one, is to hear testimony on the proposed uses of State Shared Revenue.

**Mayor's Statement for the Record:**

THIS HEARING IS BEING HELD BY THE CITY COUNCIL OF PORTLAND, OREGON IN COMPLIANCE WITH THE PROVISIONS OF THE STATE REVENUE SHARING REGULATIONS (ORS 221.770).

IT IS TO ALLOW CITIZENS TO COMMENT ON THE PROPOSED USE OF THESE FUNDS IN CONJUNCTION WITH THE ANNUAL BUDGET PROCESS. AS PROPOSED FOR COUNCIL ADOPTION, THE FISCAL YEAR 2020-21 BUDGET ANTICIPATES RECEIPTS TOTALING \$24,755,746 FROM STATE REVENUE SHARING UNDER ORS 221.770.

AS HAS BEEN THE CASE IN PRIOR YEARS, IT IS PROPOSED THAT THIS REVENUE BE ALLOCATED IN EQUAL PARTS TO SUPPORT FIRE PREVENTION AND POLICE PATROL SERVICES.

IS THERE ANYONE HERE TODAY WHO WISHES TO BE HEARD ON THIS SUBJECT?

2. Close State Shared Revenue Hearing. After testimony (if any), the Mayor closes the hearing to discuss proposed uses of State Revenue Sharing.

I AM NOW CLOSING THIS HEARING TO DISCUSS PROPOSED USES OF STATE REVENUE SHARING

3. Eligibility for State Shared Revenue Resolution. Council considers Resolution to Certify that the City Meets Eligibility Requirements for State Shared Revenue.

Explanation: State law requires this action. ORS 221.760 requires municipalities in counties of over 100,000 population to certify certain services are provided to be eligible to receive State Shared Revenue. The services certified by the City of Portland are: police protection; fire protection; street construction, maintenance and lighting; sanitary sewers; storm sewers; planning, zoning and subdivision control; and water.

4. State Shared Revenue Ordinance. Council considers Ordinance to Accept State Shared Revenue.

Explanation: State law requires this action. ORS 221.770 states that municipalities must adopt an ordinance electing to receive State Shared Revenue for the upcoming fiscal year.

5. Adopted Budget Ordinance. Council considers Ordinance to Adopt the FY 2021-22 Budget.
  - The City Budget Office describes the various Adopted Budget changes as filed.
  - The Mayor entertains motions from Council to amend Attachments B, C, D, and E. Each amendment should note the amount, bureau, purpose, and funding source.
  - Each amendment needs to be moved and seconded for consideration and discussion.
  - The Mayor calls for public testimony.
  - After public testimony and discussion, each amendment is voted on individually by Council.
  - Council votes to adopt the budget (as amended).
  
6. Tax Levy Ordinance. Council considers Ordinance to Levy Taxes for the City of Portland for the fiscal year beginning July 1, 2020 and directs the City Budget Director to submit said tax levy and other certifications to the County Assessors of Multnomah, Clackamas, and Washington Counties.

Explanation: This action includes the levy amounts for property taxes accruing to the General Fund, Children's Investment Fund, the Parks 2020 Local Option Levy, and the Fire and Police Disability and Retirement Fund. It also includes property tax levies for General Obligation bonded debt and 15 urban renewal areas.

# CITY BUDGET OFFICE

Ted Wheeler, Mayor  
Dan Ryan, Commissioner  
Carmen Rubio, Commissioner  
Mingus Mapps, Commissioner  
Jo Ann Hardesty, Commissioner  
Mary Hull Caballero, Auditor



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## CITY OF PORTLAND, OREGON

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- **Attachment A:** A step-by-step description of the process for consideration of and deliberation on all Council actions necessary to adopt the FY 2021-22 Budget
- **Resolution #1:** Certifies eligibility for State Shared Revenues
- **Ordinance #1:** Accepts State Shared Revenues
- **Ordinance #2:** Adopts the budget
  - **Attachment B:** Descriptions of adjustments to the FY 2020-21 Approved Budget
  - **Attachment C:** Summary report of all adjustments by bureau and fund
  - **Attachment D:** Adopted Budget Notes
  - **Attachment E:** Appropriation Schedule
- **Ordinance #3:** Levies taxes

**In order for staff to be adequately prepared for Council discussion and action, the City Budget Office would appreciate receiving any contemplated amendments in advance of June 8<sup>th</sup>.** CBO will present these significant adjustments and budget note changes to be incorporated into the Adopted Budget subject to the vote of the Council on Wednesday June 9, 2021.

## IMPACT STATEMENT

**Legislation title:** Conduct a Proposed Use Hearing on State Shared Revenue (Hearing introduced by Mayor Wheeler)

**Contact name:** Christina Owen

**Contact phone:** 503-823-6960

**Presenter name:** Jessica Kinard

**Purpose of proposed legislation and background information:**

The hearing must be conducted per the provisions of Local Budget Law prior to the beginning of a new fiscal year on July 1, 2021. This item is included because ORS 221.770 requires the City to formally elect to accept state shared revenues.

**Financial and budgetary impacts:**

Conducting this hearing and subsequent resolutions make the City eligible for an estimated \$24,755,746 in cigarette, liquor, and state marijuana taxes in FY 2021-22.

**Community impacts and community involvement:**

The City’s annual budget includes multiple programmatic changes that will impact the community. These programmatic changes invest resources and reallocate internal resources into bureau programs as articulated in the Approved Budget. A five-member Community Budget Advisory Board was invited to sit in on budget discussions with the Mayor and Council as the budget was developed. There were seven work sessions held to discuss the FY 2021-22 Budget process between March 7- April 1, 2021. Council conducted three virtual listening sessions in April as well. Public comment has been solicited on the City Budget Office website, and in accordance with Oregon Local Budget Law, live public testimony was received on May 5th through a virtual community meeting and during the hearing held on May 13, 2021. Council members receive weekly emails from the CBO compiling the written comments received by the public through the online portal.

**100% Renewable Goal:**

This action does not directly impact the 100% renewable goal.

### Budgetary Impact Worksheet

**Does this action change appropriations?**

- YES: Please complete the information below.
- NO: Skip this section

Fund	Fund Center	Commitment Item	Functional Area	Funded Program	Grant	Sponsored Program	Amount