BUDGET 101

Portland Utility Board
September 22, 2015
BUDGET PROCESS OVERVIEW

- **Bureau Budget Development**
  - September – January

- **Citywide Process**
  - February - June
CITYWIDE PROCESS TIMELINE

- **Early February:** Request Budgets (including Budget Advisory Committee letter), Financial Plans, and Capital Improvement Plans (CIPs) due
- **Early March:** City Budget Office analyses available
- **Mid-March:** City Council Worksessions
- **Early May:** Mayor releases Proposed Budget
- **Mid-May:** Utility Rate Review (first reading)
- **Late May:** City Council Approves budget
- **Mid-June:** City Council Adopts budget
PUB/CITY COUNCIL ‘TOUCHPOINTS’

- Letter with Request Budget (“BAC Letter”)
- Participation in City Council Worksessions
- Advice on Mayor’s Proposed Budget development (per PUB Code)
- Testimony at Utility Rate Review Hearing
INTERNAL BUDGET DEVELOPMENT

- Capital planning
- Inflation and other cost assumptions
- New or realigned program budgets
- Revenue forecasting
- Debt and debt coverage assumptions
- Rate development and forecasting
LONG-TERM FINANCIAL PLANNING

• Bureaus publish a five-year CIP every year
• Bureaus publish a five-year Financial Plan every year that shows projected rate increases
• These are good starting points for understanding the current fiscal year budget development...
• ...But with the understanding that those documents reflect only one set of assumptions and possible choices
QUESTIONS?