

CITY OF PORTLAND, OREGON
FISCAL YEAR 2017-18

Budget 101

City Service Areas

- ▶ Transportation
 - ▶ Traffic, Parking, Street Car, Road Maintenance
- ▶ Public Safety
 - ▶ Police, Fire, Emergency Management & Communications
- ▶ Parks, Recreation & Culture
 - ▶ Parks & Recreation, Golf, Portland International Raceway
- ▶ Public Utilities
 - ▶ Environmental Services (Sewer), Hydroelectric Power, Water
- ▶ Community Development
 - ▶ Development Services and Permitting, Planning and Sustainability, Neighborhood Involvement, Housing, Cable
- ▶ Legislative, Administrative & Support
 - ▶ Attorney, Auditor, Government Relations, Office of Equity and Human Rights, Management & Finance

Where does the money come from?

- ▶ **Bond and Note Proceeds**
 - ▶ Bonds and notes are sold to the public to fund major infrastructure projects.
- ▶ **Beginning Fund Balance**
 - ▶ The remaining balance of City resources each year, after liabilities are deducted. This represents a major portion of resources that will be spent in the next year.
- ▶ **Service Charges and Fees**
 - ▶ Fees and charges collected for services such as water, sewer and parks usage.
- ▶ **Taxes**
 - ▶ The City gets a portion of property taxes. Other taxes include the Lodging Tax, Business Income Tax and Gas Tax.
- ▶ **Grants**
 - ▶ Assistance provided by other organizations to help fund specific programs.
- ▶ **Licenses and Permits**
 - ▶ The City sells licenses and permits that regulate activities such as construction, business and use of public spaces.
- ▶ **Miscellaneous Revenue**
 - ▶ Includes investment interest, Capital Asset Sales, Assessment Collections, Misc. Sales, Private Grants and Donations, Loan Repayments and Refunds.

Allocating Resources

- ▶ Many funds are dedicated to specific uses
 - ▶ Water and sewer fees pay for water and sewer system maintenance and improvements
 - ▶ Permit fees pay for development services
 - ▶ Parks fees pay for recreation services
- ▶ The General Fund can be used for anything allowed by City Charter
 - ▶ GF primarily comes from property, business, utility, lodging and liquor taxes
 - ▶ Allocated based on City Council priorities

2016-17 Budget

\$3,459,847,415

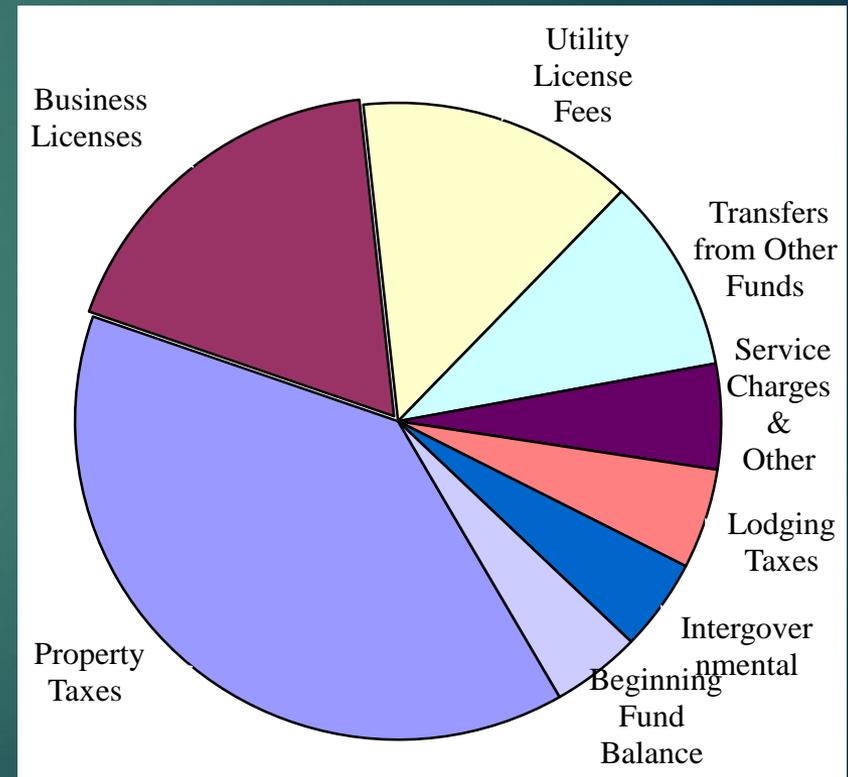
Total All Funds Budget

\$602,000,662

Total General Fund Budget

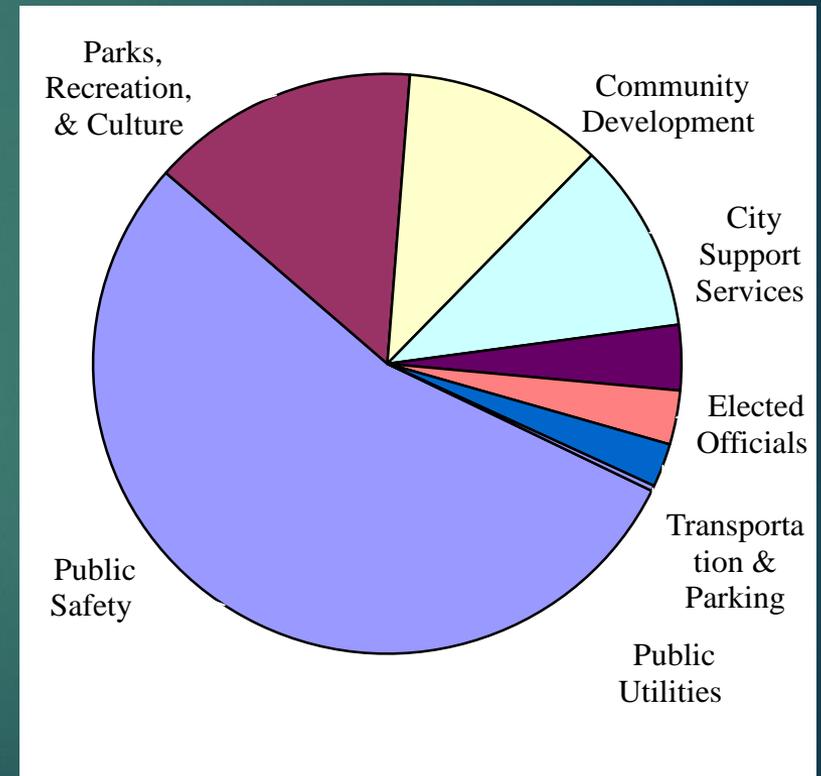
General Fund Resource Summary

Resource	Budget	Percent
Property Taxes	\$232,768,000	38.7%
Business Licenses	108,063,578	18.0%
Utility License Fees	83,536,795	13.9%
Transfers from Other Funds	59,796,414	9.9%
Service Charges & Other	32,169,688	5.3%
Lodging Taxes	30,600,000	5.1%
Intergovernmental	28,026,393	4.7%
Beginning Fund Balance	27,039,794	4.5%
Total General Fund Budget	\$602,000,662	100.0%



General Fund Expenditure Summary

Service Area	Budget	Percent
Public Safety	\$ 326,393,646	54.2%
Parks, Recreation, & Culture	89,022,533	14.8%
Community Development	66,234,193	11.0%
City Support Services	63,892,279	10.6%
Reserves and Other Transfers	21,879,281	3.6%
Elected Officials	18,133,515	3.0%
Transportation & Parking	14,633,349	2.4%
Public Utilities	1,811,866	0.3%
Total General Fund Budget	\$ 602,000,662	100.0%



Current Forecast

Ongoing

- ▶ \$1.8 million in cuts needed

One-Time

- ▶ \$17.1 million surplus

Final forecast issued in late April

FY 2017-18 Budget Guidance

Reduction Options

Public Safety/Housing

- 2.0% reduction options

General Fund Bureaus

- 5.0% reduction options

Non-GF Bureaus

- Keep fee and rate increases as low as possible

Bureaus should expect a 1.0% reduction in General Fund discretionary in order to prepare for an economic slowdown

FY 2017-18 Budget Guidance - Draft

Program Expansions

One-Time

- Investments to decrease long-term costs or increase revenue

Ongoing

- Affordable housing
- Reducing homelessness
- Critical infrastructure

Remaining Budget Calendar

DATE	ACTION
April 11,18	Community Budget Forums (Public Hearings)
April 27	Mayor Announces Proposed Budget Decisions
April 30	General Fund Forecast Released
May 9	Approved Budget Work Session
May 11	Budget Committee Public Hearing
May 17	Budget Committee Approves Budget
May 18	Utility Rate Review Hearing
June 7	TSCC Public Hearing on Approved Budget
June 8	Council Action to Adopt Budget