



Office of Mayor Ted Wheeler  
City of Portland

**DATE:** March 23, 2020

**TO:** Commissioner Chloe Eudaly

Commissioner Amanda Fritz

Commissioner Jo Ann Hardesty

City Auditor Mary Hull Caballero

City Bureau Directors

**FROM:** Mayor Ted Wheeler

**RE:** Spring BMP Guidance

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The unprecedented emergency brought about by the COVID-19 virus is challenging each of us to coordinate, respond, and quickly adapt in ways we never have before. We are operating in a new environment ripe with uncertainty, requiring us to be extraordinarily flexible. While we do not yet know the full impact that this crisis will have on our City finances, I am taking measures now to try to not only address current emergency costs, but to mitigate potential longer-term impacts on core city functions.

As a result, I am amending our plan for the Spring Budget Monitoring Process to prioritize supporting our immediate emergency response and our financial sustainability. Bureaus and the City Budget Office should work closely together to monitor and track all budgetary issues in the coming weeks and months, focusing on current year financial projections to ensure we prioritize resources for the highest need and end the year on balance. In order to enable the City to respond to evolving financial information, I am proposing the following:

- The Spring BMP will be processed on a delayed timeframe to allow more time for accurate financial projections. Spring BMP submittals are due to the City Budget Office on Monday, April 20th and will be heard by Council on May 13th.
- To ensure staff time and energy is prioritized for budget projections, required updates on previously approved decision packages will be postponed until the Fall BMP.
- Spring BMP budget adjustments should be narrowly focused on technical true-ups; required compensation set-aside allocations to end the year on-balance; and program carryovers that either 1) assist in supporting current Mayor and Council priority

packages for FY 2020-21, 2) ensure the continuity of core services and operations through FY 2020-21, or 3) contribute to the City's fund to address urgent emergency response needs.

- No new requests for General Fund contingency will be entertained, except for requests for resources required to continue core, existing operations through FY 2019-20.
- The Over-Expenditure Ordinance, processed in June, will provide a subsequent opportunity for the City to adjust to changes in bureau projections to ensure we end the current year on balance.

I am directing bureaus to limit non-essential spending during the current fiscal year to help retain as many resources as possible for likely COVID-19 related revenue and expenditure impacts. The City Budget Office will be following up with additional technical guidance.

One silver lining of this crisis has been the opportunity to witness the selflessness, dedication, and ingenuity with which our leaders and employees have come together as one City to continue providing critical services to the public in the face of this crisis. I am humbled by your commitment and grateful for your continued support in ensuring that the City is able to maintain core functions while responding to the unprecedented needs facing our communities.

Thank you for your hard work to help manage continued operations in this challenging time.

A handwritten signature in black ink, appearing to read 'Ted Wheeler', with a long horizontal line extending to the right.

Ted Wheeler

Mayor, City of Portland