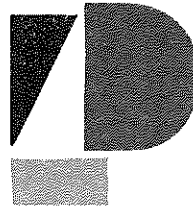


portland children's levy



Investing in our future

To: City Budget Office
Commissioner Chloe Eudaly
Commissioner Amanda Fritz
Commissioner Jo Ann Hardesty
Mayor Ted Wheeler
Auditor Mary Hull Caballero

From: Director Lisa Pellegrino

Date: September 9, 2020

Subject: FY 2020-21 Fall BMP Submission of the Portland Children's Levy

Enclosed for your consideration is the FY 2020-21 Fall BMP submission for the Portland Children's Levy. The Children's Levy Fall BMP submission includes all required reports.

The Children's Levy is not requesting any adjustments to our budget.

Children's Levy revenues result primarily from property taxes which are not forecasted to decline in the current fiscal year. We anticipate revenues being sufficient to cover budgeted expenditures for the fiscal year.

As noted in the Prior Year Fund Reconciliation Report, the Revenue Bureau inaccurately recorded Children's Levy revenues; actual revenues were \$267,507 higher than the amount shown in the report. Please see the report for further details.

New three-year grants awarded in June 2020 will run from July 1, 2020 through June 30, 2023. Grant awards were based on revenue projections from January 2020 and a plan to spend down the accumulated fund balance of approximately \$12.4 million over the next four fiscal years. Grant budgets for fiscal year 2020-21 will be finalized by the end of September and are projected to total approximately one-third of total grant amounts awarded. If January 2021 revenue projections show significant declines in revenues, we will have time to reduce total grant amounts and/or annual grant budgets as needed.

Thank you for your consideration.



Bureau Performance Narrative

Portland Children's Levy managed 70 grants in FY19-20. Administrative costs remained under 5% as required by authorizing legislation. Annual compliance audit was performed by Merina & Company, LLC and was delivered on March 24, 2020. There were no findings and no recommendations in the report. The number of children served by the grantee agencies funded will not be available until December 2020. Also not available yet are the results for children or parents served in each of the six program areas. Annual data reports are due from the grantee agencies at the end of September 2020 and require time for Levy staff to review and tabulate data.

Key Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 Actuals	FY 2020-21 Target	Strategic Target	Details
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Portland Children's Levy
 Prior Year Performance Reporting

Run Date: 9/8/20
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Other Performance Measures	Measure Type Name	FY 2017-18 Actuals	FY 2018-19 Actuals	FY 2019-20 Target	FY 2019-20 Actuals	FY 2020-21 Target	Strategic Target	Details	
CL_0005	Number of children served in Hunger Relief programs	0	0	0		10,000	0	FY20 data will be available in December 2020.	
CL_0006	Percent of children in early childhood services programs who met age appropriate developmental milestones	0	0	0		85	0	FY20 data will be available in December 2020	
CL_0007	Percentage of parents participating in child abuse prevention and intervention programs who met parenting goal	0	0	0		80	0	FY20 data will be available in December 2020	
CL_0008	Percentage of foster youth served who met academic goals	0	0	0		85	0	FY20 data will be available in December 2020	
CL_0010	Percentage of youth in after-school programs who met youth development goals	0	0	0		80	0	FY20 data will be available in December 2020	
CL_0011	Percentage of youth in mentoring programs who met school engagement goals	0	0	0		85	0	FY20 data will be available in December 2020.	
PA_0001	Administrative cost as percentage of cumulative tax revenue	EFFICIENCY	4.7%	4.7%	5.0%	4.7%	5.0%	5%	
PA_0002	Number of children served	OUTPUT	12,000	12,000	12,000	0	10,500	10,500	FY20 data will be available in December 2020
PA_0003	Number of administrative cost audits	WORKLOAD	1	1	1	1	1	1	
PA_0004	Number of grant contracts managed	WORKLOAD	74	74	70	70	70	70	

Prior Year Fund Reconciliation Report

Portland Children's Levy

216 - Children's Investment Fund

EXPENDITURES	2019-20 Revised Budget	2019-20 Actuals	Percent of Actuals to Revised
Personnel	902,324	883,626	97.93%
External Materials and Services	23,600,409	18,736,917	79.39%
Internal Materials and Services	56,405	51,471	91.25%
Contingency	8,033,590	0	0%
Fund Transfers - Expense	25,000	25,000	100%
TOTAL EXPENDITURES	32,617,728	19,697,015	60.39%

REVENUES	2019-20 Revised Budget	2019-20 Actuals	Percent of Actuals to Revised
Taxes	21,530,803	21,222,234	98.57%
Miscellaneous	353,346	367,981	104.14%
Interagency Revenue	0	0	
Beginning Fund Balance	10,733,579	0	0%
TOTAL REVENUES	32,617,728	21,590,215	66.19%

Expenditure Discussion

The only area with significant variance from budget was the External Materials & Services. The EMS budget was purposefully set at a high level to allow flexibility in grant amounts. Grant budget comprise 99.4% of the EMS budget. Grant decisions for FY20 were made in the Spring of 2019 while the budget was set in February 2019. We will adjust EMS budget amounts in the Spring BMP going forward in order to align budget with actuals.

Revenue Discussion

Portland Children's Levy actual revenues were very close to the revised budget. There is an error in the PY Fund Reconciliation Report. \$267,507 in actual revenues were recorded in error by the Revenue Bureau to an incorrect funds center. They were included in the correct fund, but CBO was unable to revise the report to include those amounts. Including all revenue in the fund, total revenues were 99.9% of the revised budget revenues. Total actual revenues were \$21,489,741 in property taxes and \$367,981 in interest income. Total revenue was \$21,857,723.